

Farm Loans

Mr. Epp: Canadian farmers come to us and ask why they cannot get at least as good a deal from the Canadian government as it is willing to give others. That is all they are asking.

Mr. Regan: You are a demagogue, Jake.

Mr. Epp: I might be a demagogue but this is what farmers are asking and it is my responsibility to tell the government about it, so you had better listen as well.

Mr. Regan: Mr. Speaker, would the hon. member permit a question?

Mr. Epp: What about the budget and its relationship to the Small Business Development Bond? I find it interesting—

Mr. Regan: Mr. Speaker, would the hon. member permit a question?

Mr. Deputy Speaker: Order, please. The hon. Secretary of State rises to ask the hon. member's permission to put a question. Will the hon. member accept a question?

Mr. Epp: Yes, Mr. Speaker, I will accept a question when I am through.

What about the Small Business Development Bond? The idea of that bond was laughed at by this government yet in the last two years it is the only new idea that it has brought forward. However, it has emasculated it to such a degree that the banks do not want to handle it.

If we did a survey of members of this House on the difficulties they have had with constituents asking for their help to get a Small Business Development Bond, I dare say every one would have had that experience.

As a result of the last budget farmers can now get a Small Business Development Bond but they have to show that they are in trouble, that they are almost broke, that they are in danger of foreclosure. Then they can ask the bank for a Small Business Development Bond. Considering the history of the Small Business Development Bond, how many banks will deliver?

Let us consider the budget provision regarding IAACs and RRSPs. How many members were confronted by farmers during the Christmas break who said, "I have an IAAC", or "I want to buy an IAAC", or "I want to save for my retirement"? The government now says, "Oh, yes, we want agriculture to advance, but we are going to make sure that the government gets the first call on your resources." Many members have had such experiences.

Where was the Minister of Agriculture when the budget was being drafted? Where was he when income-averaging annuity contracts were discussed? What was he doing to protect the Canadian farmer when the budget was being discussed or ideas were being advanced to be included in it?

Mr. Whelan: Where were you when Crosbie did his?

Mr. Epp: Mr. Speaker, that budget was not taxation; that budget was confiscation. There is a big difference. We all

criticize taxation and argue about the rate because none of us wants to pay tax. There is quite a difference between payment of taxes, however, and the confiscation of property on which taxes have been paid over the years. There is a great difference.

As I remember the constitutional debate, if I feel any chagrin it is about property rights. In one way or another the idea of property rights—that a person may own something after he or she has worked for it—is being eroded. It is being chipped away; it is being chiselled away.

I am sure many other members have had the experience of people coming to them with this question: "Why is it, when I want to retire, the government insists on taxing me first when I have worked all these years in order that I might live in dignity in the sunset years of my life?" That question is not being answered by the Minister of Finance or by the Minister of Agriculture.

I should like to say something about the administration of the FCC. I notice that there are some officials in the gallery who I presume are from FCC, and I think it is important that they understand what we hear about the administration. I must say that in general terms I think it is valuable and that I think the administration is excellent. The officials are often confronted by people who are in difficulty, people who need a loan and obviously the need has to be assessed in a very rational way. But I want to tell them that farmers do not come to them in a master-servant relationship. Perhaps there is a defence mechanism involved on the part of officials of the FCC but we often hear the complaint from farmers that they feel it is due to the good graces of the person across the desk that they receive the loan. That person's job is one of administration, not to make that Canadian farmer feel that if he gets anything he should be very thankful to the person sitting across the desk.

● (1710)

In the whole question of administration the Catch 22 situation arises time after time. A young farmer comes into the FCC looking for a loan. He is told that he can obtain a loan if he has enough equity, and the farmer says, "My dear friend, I would not be here if I had the equity; I could go to a different financial institution." Very often banks are willing to take risks on the potential of a young farmer, on the potential of his land, on the potential of his management ability, or on the potential of his willingness and that of his wife and family to work. Often banks and credit unions are much more willing to take a risk than the FCC.

Another matter of administration was brought to my attention recently. I do not know how it will be resolved, but I have written to the minister in the past few days about it. I am referring to the situation where a farmer obtains a loan and goes into a local place of business, such as a lumberyard or a farm supply dealer, and shows his line of credit. He says that he wants to build a facility or a barn with the proceeds of his loan. He starts building his barn and because there is a line of credit through the FCC, the supplier advances the materials.