

*Farm Credit Act*

nanced, the farmer would have an opportunity to save a few dollars. There might be a situation in which the farmer would wish to add to his loan in order to make improvements to his farm. In this case, I do not believe it should be necessary for him to refinance his loan, especially at a time when the interest rate may have increased. He could avoid legal fees.

It is quite strange that under Part III any farmer at age 45 can get a loan of \$100,000, while no one at age 46 would be allowed to receive \$90,000 and no one at age 47 would be allowed to receive \$80,000. What is so magic about the age 45? If we drew up a schedule, I believe this problem could be relieved. It is essential to try to keep these people on the farm, not only to show our faith in the young farmers but also to reverse the existing trend in many communities. Often services are no longer provided in these communities and the older people no longer want to spend much money on the farm because they have not decided how much longer they wish to stay on the farm. Consequently, the whole community dies. We believe that it is time to give the young farmers an incentive, some reason to stay on the farm and some reason to take out a loan at an earlier stage.

• (1620)

I believe that some of the proposals which I have put forward would go a long way toward accomplishing this goal. Accordingly, I move:

That Bill C-5 be not now read a second time but that it be resolved that in the opinion of this House the government should give consideration to the introduction of legislation to amend the Farm Credit Act by incorporating the incentive principle—already approved by this House in other legislation—to provide for partial non repayment of interest where young farmers meet performance standards, for deferred interest payments on all loans during an initial period, for equitable adjustment of interest rates for the benefit of borrowers; and, as well, to provide for open-end loans which will allow additional borrowing without refinancing costs.

**The Acting Speaker (Mr. Laniel):** The Chair is ready to accept the amendment moved by the hon. member although I might have reservations regarding its form, its wording and its length. However, precedents in the House would make it acceptable, unless hon. members have a different opinion.

**Mr. Olson:** Mr. Speaker, I know that amendments of this nature have been moved on second reading, and I will not raise any procedural objection to this one, but I think hon. members should be well aware of the fact that their support of the amendment would do nothing but kill the bill.

**Some hon. Members:** Oh, oh!

**Mr. Danforth:** That is a political speech.

**The Acting Speaker (Mr. Laniel):** Hon. members have heard the motion put forward by the hon. member for Mackenzie (Mr. Korchinski).

**Mr. A. P. Gleave (Saskatoon-Biggar):** Mr. Speaker, inasmuch as the effect of the amendment would be to set aside any discussion of the bill, and any action that might be taken now, I can hardly go along with the amendment. It may be that after a full discussion of this amendment

[Mr. Korchinski.]

hon. members may be able to convince me that they have a case, and I may be able to consider it.

What we are considering in this bill is a proposal to increase the amount of money that can be borrowed. However, some other important programs are involved which will have to be examined as part of the bill. I hope that when and if this bill goes to committee it will receive a thorough examination. I hope, too, that we will call before the committee representatives of farm organizations, as well as the Farm Credit Corporation. Indeed, we should call before the committee officials of the Department of Manpower and Immigration, officials in charge of manpower training, and officials of ARDA or whatever organization has succeeded it. Judging from the statements which the minister has made and some of the provisions in the bill, manpower retraining forms an integral part of the proposals which the government has laid before the House last night and today. Those proposals need to be examined very carefully.

• (1630)

The previous speaker was greatly exercised about some legislation that is proposed in the province of Saskatchewan. But, Mr. Speaker, the proposals in this bill are very far reaching with respect to the future development of farms and farming communities. If we examine a proposal which deals with the consolidation of farms, the other side of the proposal must deal with the elimination of some farms. If we pass legislation dealing with the consolidation of farms and the lending of larger amounts of money, we must attempt to see what the results will be in the future.

Clause 1 of this bill will amend section 11 of the Farm Credit Act so that it will read in part:

The Corporation has all the powers necessary to carry out such duties or functions as may be assigned to it by the Governor in Council in relation to the administration of any agricultural program or as are assigned to it pursuant to any other Act of the Parliament of Canada.

Once this legislation is passed, the government can take action through orders in council. It can make very important decisions regarding complete phases of agriculture in some parts of the country, without having to lay its program before this House and defend what it proposes to do to people and for people. I am sure that the minister can advance logical arguments in support of the proposal in this bill to increase the amount of money which can be lent. Even on a compact family farm, the investment in land, cattle and machinery can be very substantial.

Every once in a while I read articles in newspapers which say how wonderful it is to have a one-man dairy farm, a one-man grain farm, or a one-man hog farm. But, Mr. Speaker, the individual concerned will be working 12 to 16 hours a day, and must have a very substantial capital investment. I am concerned with how this bill will affect the farmer and the communities in the farming regions of the country. What is needed here is companion action to increase farm income.

This afternoon questions were asked about the final pool payment on oats. Questions were asked yesterday about the price of rapeseed. Questions were also asked yesterday about the initial price of barley. In each case,