

*Farm Improvement Loans Act*

rather disappointing. I found it interesting that during the resolution stage the opposition were interested in a number of points with respect to the legislation to come, and we were told, "Let us get this resolution through, and then we will get to the bill and deal with all these things at that time." Then we came to second reading of the bill and virtually the same answer was given to our questions, "Let us give the bill second reading and get it into the committee stage, and then we will deal with some of these problems." Now we are at the committee stage and we are still asking questions and still have not the information we would like to have.

It may be that part of the reason we are not getting information with regard to matters in which we are interested is that the government simply does not know the answers. If the house was dealing with a completely new operation, a completely new bill, we could not expect the government to have all the administrative factors and details worked out, and we would have to allow them a little leeway to establish the operation. But in fact we have here an operation that has been in effect for some 23 years, namely since 1945, as the minister pointed out. It has been obvious since some time last winter that changes were required to the act and that amendments would be forthcoming, but it seems that a great many of the problems still have not been worked out.

After considerable prying the opposition has succeeded in getting some information from the government. If some government members are disturbed about the length of the debate on this question, I would simply note for them that if they had urged that more homework be done in the preparation of the bill, perhaps it would not be taking quite so long to deal with it. They should speak to the minister in this regard.

There has been a considerable amount of discussion with respect to the extension of the definition of the term "bank" which sets out those institutions which can qualify to act as lending agencies under this legislation. With respect to credit unions, caisses populaires, co-operative credit societies and trust and loan companies, the minister has indicated, if I understood him correctly, that all they would have to do would be to apply, and it would be just a matter of course for the minister to give the proper designation under which they could make loans under the act. I find this rather curious. Why should they not automatically qualify under the terms of this

act rather than having to go through this little extra procedure, if there is no reason for doing it? It seems to me there is good reason for taking a very close look at some of these institutions before they are qualified as lending agencies. That is why I have already asked questions in respect of this legislation. I find that consultation with these institutions has been very limited. I gave an example of an institution where I am acquainted with some of the officials, who told me they had absolutely no knowledge of what was happening in respect of this program, and there had been no consultation with them.

The minister suggested to the hon. member for Crowfoot that if the Alberta treasury branch was interested in acting as a lending agency, they would make this desire known. I find this rather curious. If there is no opportunity for consultation, how can one deal adequately with the situation? I also asked the question as to what criteria would be used in designating whether an organization could act as a lending agency. I find there are really no criteria to be used. I suggested earlier—and I refer the minister to my remarks—some of the reasons why criteria are needed. I think it can be shown quite easily that some institutions would qualify very well, from a managerial standpoint, to act as lending agencies; but I seriously question whether this is the case with regard to some of the other lending organizations which may apply for qualification. This is a matter that the minister should be prepared to discuss further.

I asked, also, whether there was going to be any co-ordination or integration of the entire lending program to be carried out under this act. I asked what approach will be used and whether any policy framework will be set up by which the lending agencies will have to live. There was certainly no indication that this would be the case. I believe this is a deficiency in the legislation. This is a very real question. What are some of the new agencies going to do? They will certainly protect their own interests in lending money, and they really do not have much to worry about as a result of being able to operate under a government guarantee.

The hon. member for Mackenzie this afternoon raised a very valid point when he suggested that an individual might apply to the Farm Credit Corporation, be turned down in respect of an application for a loan, and then submit an application to one of these lending agencies and obtain the loan with a full government guarantee and backing. This is the