

*Farm Credit Act*

in the best interests of the farmers of this country.

**Mr. A. P. Gleave (Saskatoon-Biggar):** Mr. Speaker, like the previous speaker I do not intend to take a great deal of the time of the house at this stage of the bill. When the measure was first discussed I pointed out the advisability of referring it to a standing committee in order that its provisions could be fully discussed and updated. I asked that this be done in order that farm organizations could come before the committee and give the government the benefit of their advice and the position they take in regard to farm credit. I pointed out that advice was available to the government from at least one consultative body for which they have paid and which was being largely disregarded.

The government says there is urgency. Undoubtedly there is urgency. There is urgency of a real nature, as described by hon. members to my left and as described in the *Globe and Mail* which says there is a dark year ahead for the wheat farmers. It says that many small operators may fail. This appeared in a publication which is not noted for its exaggeration of the circumstances. I may say that very likely it is right. This is unfortunate, as I know because I happen to farm in that area and so do some of my colleagues. Any credit legislation that we pass should take into account these circumstances. What concerns me is that I do not think we can do justice in a hurry, particularly in the farm credit legislation before us, to the circumstances which farming faces in the long haul. We can rush in and make more money available at a higher rate of interest, but this will not meet the real needs.

● (5:30 p.m.)

Despite the continuous questioning from this side of the house we have not been able to elicit from the minister any information on the exact rate of interest which farmers will be expected to pay. I can understand the minister's urgent pleas for immediate passage of this legislation and I recognize the fact that he is justified. But we who represent the farmers are also justified in our position, and what will we say to our constituents if we agree to what the minister has put before us? We should know what the rate of interest will be, more so in the long term lending program envisaged in this bill than in the short term lending program. In the short term the outlook is bad enough. We face a

[Mr. Danforth.]

dark future immediately ahead, but what circumstances will we be facing in the long term? We do not know.

The government has not been able since this session started to say confidently that it will move the production of these farms. It is hedging on this matter, and I can understand it. Are we going to have to retool some of the farms, will we have to switch production and, if we do, will credit not be necessary? The farmer will have to pay for that credit out of his production. He will have to meet the credit terms. This is why I say to the minister he should be prepared to refer this legislation to the standing committee. It is true that the farmers will have to wait. He says so, and he should know. They will have to wait until more money is made available to the Farm Credit Corporation. Once a farmer signs an agreement with the Farm Credit Corporation his waiting period will not last a few months but 20 or 30 years during which he will carry that burden. I agree with the minister it is urgent that we pass the cash advances bill. I suggest we could leapfrog ahead of the legislation before us to pass the bill on the Prairie Grain Advance Payments Act, if it is so desired.

**Mr. Don Mazankowski (Vegreville):** Mr. Speaker, I doubt that a more important package of legislation so far as the farmer is concerned has come before the house for some time. Not only is it important to the farmer but it is probably more important to the general economy of the country and in particular to the various manufacturers, wholesalers and retailers who supply farm products and the other necessities which a farmer requires from time to time in order to upgrade his facilities or increase production with the intention of creating an economic and viable farm unit.

I would like to commend the minister for broadening the act to provide for a father and son business relationship whereby young men may become active participants in the business of farming with their fathers with the idea of creating an economic unit.

I welcome the amendment which deals with Indian farmers situated on reserves, under which they too may have the opportunity of becoming actively engaged in farming and in the creation of viable farm units. I do hope, however, that the red tape which is likely to occur in negotiating such a measure between the department of Indian affairs and the Farm Credit Corporation will not be so