

*Farm Credit Act*

of this act and may fix their remuneration and terms of employment. In clause 11(d) it is also provided that the corporation may engage the services of appraisers, consultants, advisers and other persons, establish branches and so on. Therefore I think the act does give the corporation the authority and enables it to engage additional staff to assist them in supervising the very important matter of farm credit. I urge the minister to consider the suggestion that increases be made in the staffs at the offices of the Farm Credit Corporation in order to assist farmers to make intelligent use of the credit available to them.

I am in no way reflecting on the corporation in my next suggestion. There is enabling legislation in the sections to which I have just referred, and I would suggest that it might be most useful if something in the nature of an appeal board were set up. Many farmers feel they have not received satisfactory settlement of their applications. They feel that the corporation and its appraisers and officers do not dispose of their applications satisfactorily. I think that an independent appeal board composed of successful farmers who have a wide knowledge of farm operations and conditions in the particular area could serve a very useful purpose so far as the farmers are concerned, and also from the point of view of the officials of the Farm Credit Corporation. I am sure they feel that in many cases they have to make decisions of judgment and it is always very difficult to decide what should be given and what should be refused. In my opinion an appeal board of this nature would enable them to have their decision reviewed by an independent body which would be fair to their point of view and also to the opinions of the farmers involved. I insist that this does not cast any reflection on the excellent work which has been performed by officials of the Farm Credit Corporation, but I feel that such a board would assist them and would help to relieve the concern of many of our farmers that their applications for loans do not receive the disposition which they feel they should.

I should like to make a couple of other suggestions. I would think that the officials, appraisers and all the other people involved in determining whether or not a farmer should get a loan should make the broadest possible interpretation of the act and the regulations. I believe they should give the most liberal interpretation to the regulations

[Mr. Mullally.]

so as to provide the maximum amount to the maximum number of farmers.

I believe that the corporation could be much more generous and much more lenient in their interpretation of the regulations if they had a more substantial amount of money with which to work, if there was some leeway, some volume of money provided as a buffer against losses which they may incur. I believe that the Farm Credit Corporation is a little too concerned about losses. I do not think they should be, because Canadian farmers have the best repayment record of any occupational group. The Farm Credit Corporation's losses have been extremely small and I think the corporation should be a little more lenient and generous in their interpretation of the regulations and in their disposition of the applications which they receive.

If we check the last statement of the Farm Credit Corporation we find that in the last fiscal year for which they have reported they had a loss of \$1,080,000. I do not think the Farm Credit Corporation is different from any company, individual or organization. Nobody likes to show a loss. They would prefer to show a profit. In order for them to have the money to overcome these losses, which I am sure they do not like to report, I think that the funds made available to them by the government should be made available at a lower rate of interest. If they are going to lend money at 5 per cent I think funds should be made available to them at 4½ or 4¼ per cent. This would provide the corporation with sufficient leeway so that they could lend more generously to the farmers concerned.

Finally, I think this legislation is an excellent first step in the right direction. The minister has several other pieces of legislation to bring forward. I know that as time goes on he will probably be making improvements to this legislation as well. I commend him for his foresight and initiative in bringing this legislation before parliament, and I feel I can assure him that the farmers of Canada stand behind him 100 per cent.

[Translation]

**Mr. Réal Caouette (Villeneuve):** Mr. Speaker, in considering Bill No. C-100, one realizes that its purpose is to improve farming conditions and to help more adequately Canadian farmers, especially those in eastern Canada.

I heard the hon. member for Kings (Mr. Mullally) suggest more liberal credit facilities for all farmers. He pointed out that farmers