

Canadian Farm Loan Act

not assist the position of farmers in any one part of the country to make ill-founded remarks about agricultural producers in other parts of the country.

I conclude by expressing the hope to the minister that further legislation in this field will be forthcoming along the lines I have suggested and designed to meet the requests of the farm organizations.

Mr. Boulanger: Mr. Chairman, as I intend to make this my first English speech in this house, I beg the indulgence and consideration of all hon. members present. I listened with interest to the remarks made by the Minister of Finance and by the leader of the C.C.F. party. I do not know whether or not I should make any statement concerning what was said by the hon. member for Assiniboia concerning trips by farmers to California or to the southern part of the United States but I think I shall wait for another occasion to comment upon this.

I want to tell the Minister of Finance that I will vote for the resolution. However, I also wish to tell him that it falls far short of being the improvement to the Canadian Farm Loan Act that was promised by the Minister of Agriculture. The only advantage of this measure is that it provides additional funds to the board. This means that the borrower under this legislation will not enjoy any improvement over the conditions available to them today.

If we look at the statutes since this law was first passed in 1927 we note that several amendments have been made to it throughout the years. These changes have always been made in the sense of improving it and adapting it to new conditions. The last changes were those made in 1956, which increased the percentage evaluation of property from 60 per cent to 65 per cent of its value, increased the maximum loan from \$12,000 to \$15,000 and extended the repayment period from 25 years to 30 years.

This law, initiated and improved by the Liberal administrations over the years, has been of great service to our farmers but it has become somewhat outdated with the evolution of farming methods and the need for greater capital. The resolution that we are discussing today should include the amendments promised by our Conservative friends during the last election campaigns. Let me remind the committee of the promise made by the Minister of Agriculture at Mont Tremblant on September 18, 1957. He said:

A more generous farm credit policy and the diversification of production may improve Canada's depressed farm economy, Agriculture Minister Harkness said today. He suggested the type of credit policy similar to loans accorded under the Veterans' Land Act may be used to help farmers.

[Mr. Argue.]

And on March 11 of this year the Prime Minister is quoted in the *Hamilton Spectator* as having said:

...long-term credit will be extended to help farmers plan for the future. I cannot bring about these changes unless the farmers across this nation get behind our candidates, he said. If we are not returned to power this legislation will not receive the benefit of favourable consideration.

In a Canadian Press dispatch, contained in the *Winnipeg Free Press* of May 15, the Minister of Agriculture is quoted as saying that he:

—recognizes the need of providing farmers with a more flexible system of long-term loans including the possibility of lowering the present 5 per cent interest rate.

I ask the Prime Minister whether there were not enough of his candidates elected to carry out his promises and has the Minister of Agriculture not enough qualified persons to study the matters he wanted to look into?

The farmers of my constituency and all over Canada are waiting for action. The most important question that is being discussed in agricultural circles today is that of financing. The farmer, unlike the industrialist, cannot count on selling shares in order to finance his operations because he cannot pay the dividends. The period for repayment of capital is too long. That is why he must call on the state for assistance. That is what the Liberal party advocated through its distinguished leader during the last election campaign, an up-to-date agricultural credit policy. We realize that it is important to make available to the farmer the necessary capital to enable him to organize his farm well and to obtain the largest possible revenue in order to attain something like the same level of benefits as is enjoyed by the other classes of society.

In addition to the monetary advantage of a well organized system of farm credit, there is the other aspect of maintaining the family farm that is part of our tradition. The family farm, said the deputy minister of agriculture, S. J. Chagnon, in a press conference given to the members of the Canadian association of producers of chemical fertilizers, "assures the solidity and stability of our social and economic institutions, not only in Canada but in all North America. It is this family type of agriculture that is still best suited to a country that treasures its democratic ideals and institutions."

In recent years several agricultural organizations have submitted briefs to the government and they have all requested improvements in our agricultural legislation which, while differing in detail, agree in general principles. Thus, the interprovincial farm union council recommends the creation