

after that period for the Province of Quebec may be in part answered by this fact. I am informed that these loans are made for farm improvement purposes, up to a maximum of \$4,000 in the case of individual loans, but, for the purposes of what is described as farm organization, the loan cannot exceed \$3,000.

Having this information on the record may go at least part way to answer the questions raised by Senator Pearson in respect of the Province of Quebec about the drop, and perhaps answer the question of Senator O'Leary, at least in part, about the availability of loans for the small operator.

I should say too that under the federal program loans are intended to be intermediate term credit facilities, and are designed to provide facilities for the making of capital improvements on a farm in the way indicated in the areas we have been discussing here tonight.

I do not think that this type of loan is designed to cure the problems of the sub-marginal farm. This is not the purpose of the legislation. Those who are familiar with the ARDA program—and certainly those who served on the Special Senate Committee on Land Use are—will know that the ARDA program is designed to help in that particular area.

Now, I do apologize to the house. Senator Molson has brought very forcibly to my attention the fact that I did not give the total amount of loans that have been made under this legislation. Throughout the history of the act from 1945 to 1963, 1,083,468 loans have been made, and the total amount loaned was \$1,375,973,302. So, when we talk about the losses being at the rate of one-tenth of 1 per cent on such a tremendous amount of money over such a long period of time, I think it is at least evidence of a credit worthiness of the agricultural community of this country. It is a great tribute to the capacity and the determination of farmers to pay their debts.

I do not want to introduce new material, but Senator Molson has referred to the regrettable decline in the farm population in this country. This is indeed a regrettable trend. I suppose, as he has pointed out, in the industrialization of a country some of this decline is inevitable, but the plain fact is that food production in the world today cannot keep up with demand, and there are millions of people in the world tonight who will go to bed hungry, with no means to get the wherewithal to satisfy that hunger.

And, in the midst of plenty in this country, I think it behooves all of us to give some thought to that problem. It seems to me that if the law of supply and demand does work in the world at large, it is difficult to see

why, since we have such a great capacity in this country for production of quality foods, there should be so much need in the world at large for foods. Surely the means that are available now in the way of transportation, communication and capital facilities can bring these two closer together to the benefit, not only of the starving and undernourished but, as well, to the advantage of the food producers themselves.

I think we have kept up in our agricultural areas in Canada with the march of progress; what honourable senators who have come from farming communities in this country have said here tonight is evidence of that. Senator Horner referred to the fact that new machinery is constantly coming onto the market, and farmers are requiring it. Both Senator Pearson and Senator Stambaugh referred to it.

I think the figures we have before us tonight indicate that farmers in this country are aware of the need to keep up with modern developments and modern requirements.

Honourable senators, again I thank all those who have participated in this debate. In all the circumstances, I think I would be on better ground if I suggested we send the bill to committee tomorrow morning. I know some honourable senators do not feel it necessary, but there may be other questions to be asked.

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

**Hon. Mr. Connolly (Ottawa West):** I move that this bill be referred to the Standing Committee on Banking and Commerce.

Honourable senators, may I announce that after consulting with the chairman of the committee, it is proposed that that committee meet tomorrow morning at ten o'clock.

Motion agreed to.

#### DOCUMENTS TABLED

**Hon. Mr. Connolly (Ottawa West)** tabled:

Order in Council P.C. 1964-1222, dated August 6, 1964, authorizing under section 21 of the Export Credits Insurance Act, revised contracts of insurance originally approved by Order in Council P.C. 1963-1564, dated October 24, 1963, by the Export Credits Insurance Corporation for shipment of 250,000 metric tons of wheat (or flour equivalent) to the People's Republic of Bulgaria, pursuant to section 21B of the said act, chapter 105, R.S.C., 1952, as amended 1960-61. (English text).