

Farm Credit Act

Mr. Olson: Mr. Chairman, I should have read the next paragraph of clause 4. I ask the hon. member to look at it. I quote from where I finished reading a moment ago:

(ii) in the case of a farming corporation or a co-operative farm association, where in the opinion of the corporation the experience, ability and character of those shareholders or members who are principally occupied in the farming operations of the corporation or association, as the case may be, are such as to warrant the belief that the farm to be mortgaged will be successfully operated;

• (3:50 p.m.)

I would also refer the hon. gentleman to the definition of farmer in clause 1, where I think it spells out fairly clearly that the F.C.C. will not only have the right but the duty to examine these characteristics of the individuals involved in a corporation. It is quite obvious that we cannot assess whether a corporation is going to be a good farmer. It is the individuals who are going to be farmers, with the experience and capabilities necessary to operate a farm.

Mr. Nesbitt: I thank the minister for giving a very complete answer to the question. It is a good thing to have these answers on the record. Sometimes it may prevent future arguments between officials of the corporation and those who make representations on behalf of farmers.

Mr. Gleave: I may be a little slow to catch this, but under the regulations to date we could be assured that when a loan was made to an individual to form a corporation, or to two individuals, those people were actually farmers. It was the policy of the Farm Credit Corporation to insist that they be farmers.

Mr. Olson: I can assure my hon. friend that that policy will be maintained, but I point out that the provision did not stipulate full 100 per cent income from farming but mentioned farming as the principal occupation. The collective judgment of the corporation in these cases has been based on a definition of something substantially higher than a simple majority.

[*Translation*]

Mr. Caouette: Mr. Chairman, with regard to clause 8 which defines the terms "economic farm unit", "single farming enterprise" "co-operative farm association" and "farming corporation", I should like to ask the minister whether, as in the past, there will be conflict between federal and provincial loans to agricultural organizations. In many cases, for instance, we are told that the Quebec Farm

[Mr. Nesbitt.]

Credit Bureau objects to loans being made by Ottawa. I have seen proof of that in my own riding.

Is there, at the present time, conflict between the legislation proposed to the house and that in effect in the province of Quebec for, unless I am mistaken, the province of Quebec alone has a Farm Credit Bureau, contrary to the other Canadian provinces. Is the government introducing this bill to help only the economic farm units in provinces other than Quebec, or in those of Quebec as well?

Will the agricultural units or corporations back home be able to obtain loans from the federal government as easily as western farmers. As I understand it, the legislation proposes to help farmers and farm associations in western Canada, namely in Alberta, Saskatchewan and Manitoba? Will possibilities be as good for the eastern farmers as they have been in the past. Will they continue to be in the future under the terms of this bill?

Mr. Chairman, the member for Crowfoot (Mr. Horner) is constantly rising to fight for the interests of the Alberta farmers. We know that. Others speak for the interests of Saskatchewan and Manitoba farmers.

I want to point out we do not oppose government aid to all farming associations and corporations or co-operatives out west. Still, we will fight with tooth and nail so that the eastern farmers, our agricultural societies such as C.F.U. and the co-operatives, it matters little, get the same benefits from this bill, from these loans, as the western farmers.

[*English*]

Mr. Olson: I wish to advise my hon. friend from Témiscamingue that the F.C.C. has more staff in the province of Quebec than in any other province, and that all the services are offered in Quebec in the same way and under the same rules and regulations as they are offered any place else in Canada.

[*Translation*]

Mr. Caouette: Mr. Chairman, that is not an answer. Everyone knows that the minister has a large staff in the province of Quebec. However, the minister is aware of the fact that there are fewer loans made to agricultural organizations in Quebec than in western Canada. Even if there are more bureaucrats in the province of Quebec, that has nothing to do with milking cows or farming. What we want to know is whether there will be more easily obtained federal loans than in the past.