

Insolvency Act

expect that land even to pay the interest. You must, therefore, have some other source of funding to get to where you want to be as a farmer.

If you do make this investment and the price of wheat does stay where it is, you are well on your way to bankruptcy and you have not even planted your crop yet. These last few years we have had a lot of farmers on the Prairies go bankrupt and for a good many reasons. Sometimes it is because the weather has been bad. Sometimes it is because interest rates have been too high, or they have gone up during the period of time the farmers had hoped to pay off their particular investment.

The agriculture industry has to be one of the businesses which has the longest wait between the time of the original investment and the return on that investment. First of all, a farmer buys the fertilizer and the seed, he sows the grain, he spends money on spraying during the summer, he harvests in the fall, puts the crop in the bin and, if he is lucky, he might sell it next August, a good year and a half later. So two full years have passed from the time the farmer invested in that particular crop before he receives money to repay his investment. The full cow-calf cycle, Mr. Speaker, is about ten years. It is the same with apples. Ten years is the length of time for apple growers to receive a return on their investment.

How are we going to protect farmers who get themselves into the position where they have to go bankrupt? Farmers are usually eternal optimists. That is part of the reason, I suppose, why they keep sowing and hoping to harvest. They are probably the only group of businessmen who continually lose money and still stay in business. Farmers have a tendency to live on their equity and, of course, they feed themselves off the farm.

• (1750)

This Bill should do something to protect the people who are important to this country, the primary producers. They produce a large portion of the food we eat. The worker, the farmer and the fishermen should be protected. If someone is going to be punished in this operation, it should be the finance company or the fiscal institution which has in most cases, as the Hon. Member for Bow River (Mr. Taylor) said, gotten all the money invested plus that much more. Instead of a Bankruptcy Act, Mr. Speaker, maybe we should be looking at an interest control Act. Maybe by the time a financial corporation has doubled its money on loans for which they take very little risk, there should be no more interest charged.

We need to do something about what happens to a farmer or small businessman if they do go bankrupt. In the last 20 years something has happened to the basic economic structure in Canada, something which is bad for Canada. There was a time when everyone considered production the most important thing to the economy. We paid for production and if you produced well, you did well. Production was the key to survival and getting ahead. Today we have changed the definition of what

is important in the economy. In farming and most small businesses what you produce and how much you produce, even how efficiently you produce it, does not have as much impact on your success as the price you pay for the money you borrow. These days in farming and small business the only person guaranteed a return is the person who lends the money. That seems wrong to me. I think it is our responsibility as Members of Parliament to put in place rules which do not allow those financial institutions to take advantage of the situation in such a way that the farmer who has worked hard and should have been successful just cannot quite make it.

If we look back, Mr. Speaker, Christ went to the Temple and tipped over the tables of the money lenders. He abhorred the money lenders. Our morality has changed somewhat in the last number of years and the money lender is now an accepted and respected part of the economy. I think it is the Government's responsibility to put rules in place which do not allow money lenders to take advantage beyond what seems respectable, I suppose.

We therefore have a responsibility to put into this Act some kind of a structure which allows the farmer or the fisherman or small businessman to know that if he has made a good strong effort he will not be taken over, he will not be forced into the position where he is unable to survive. If that is what this Bill does, then it is a good Bill. If it allows people to be taken advantage of by financial institutions, then we should change the rules so those institutions allow the majority of Canadians to make a living rather than just the bankers.

Mr. Deputy Speaker: Order. Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is as follows: Mrs. Erola moves that Bill C-17, an Act respecting bankruptcy and insolvency, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Deputy Speaker: Is it the pleasure of the House to call it six o'clock?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Order. It being six o'clock p.m., this House stands adjourned until eleven o'clock tomorrow morning.

At 5.55 p.m. the House adjourned, without question put, pursuant to Standing Order.