

*Agri-bond Program*

Gurbin), who was very eloquent in making his personal views known and who I believe has, in some interesting ways, applied pressure on Members on this side to have us co-operate. He has been imaginative and should be congratulated.

While we are spreading credits around, I would like to make note of the contributions made by the Member for Lambton-Middlesex (Mr. Ferguson) on this issue. He has been an eloquent spokesman on this topic, not only on behalf of his constituents but on behalf of people across Canada. In effect, the interest in this issue which we have demonstrated on the Government side has primarily been provoked by the good work of my colleague from Lambton-Middlesex. He should be recognized and given some credit for that.

I also point out that the Parliamentary Secretary to the Minister of Agriculture (Mr. Dionne) is here today and has some notes and thoughts on this issue. I know that he is delighted that this subject will proceed to committee to be given a thorough examination. I know that he will have some strong views and will provide leadership in the committee when it is struck. We look forward to his contributions which will undoubtedly be of his usual high calibre.

In a few minutes I will move two amendments to this motion. I will suggest that it go to the Finance Committee instead of the Agriculture Committee. I would also like to suggest that the reporting deadline on this issue be moved from March 31 to June 30. Let me explain why I am suggesting those two changes.

First, I wish to tell the House that the Finance Committee should be the group to look at tax matters. As we know from the descriptions we have heard here today, the agri-bond revolves around tax issues. It is to relieve tax on some of the interest portions of the bond that make it possible for interest rates on the bond to be lower. Of course, whenever we are dealing with relief of taxes we are dealing with a matter that quite properly should go to the Finance Committee and on which recommendations can be made by that committee to the Minister of Finance (Mr. Lalonde). This will eventually be a successful matter if the Minister of Finance rises on a future budget night to say that this is what we will do.

Since it is a tax measure and not an agriculture measure, we should be dealing with it in the Finance Committee. That is not to say that the current Members of the Finance Committee would be the ones working on it. I suggest it would be understood that the Parties could look for a subcommittee so that experts like the Member for Lambton-Middlesex—who of course normally works on the Finance Committee—could provide his expertise in the subcommittee, as could the Member for Portage-Marquette (Mr. Mayer) and the mover of the motion, the Member for Bruce-Grey. They would have access to the committee, and I personally suggest that the motion be referred to the Finance Committee itself, and then down to a subcommittee where others could come freely and enjoy the informality there.

I also believe that we should move the date from March 31 to June 30 in order to give witnesses time to organize themselves and make proper presentations. As well, Members of

Parliament would be able to conduct some research. I remind the House that we face a very busy schedule. We are just finishing one debate on federal-provincial fiscal arrangements that will go to the Finance Committee. Also, there is the Budget and other issues that will spin from that Budget. Since we will be busy and would not want to appear as if we had collectively ignored an important issue at the end of March, we would want to give ourselves some extra time and demonstrate to the farming community that we are serious about this issue and want to do a good job with it. If we delay until June 30 we can do a good job and schedule it properly in that form.

In 1982, I visited the riding of the Member for Bruce-Grey and discussed some of these issues. I was invited there by a group of farm wives and, in all likelihood, I think that I was a disappointing visitor. I think I came with my city attitude and city perspectives. I am sure that those folks felt that I really did not understand the spirit, if not the economics, of farming. I know that that feeling often exists within the farming community, that people from the city do not understand their problems as thoroughly as we should. I visited the riding and talked to the people there. I would like to say now that I am personally grateful for the insights they gave me. If I was not an adequate spokesman, at least I was personally educated quite thoroughly and hospitably by this group and given some real understanding of how they are being crushed by current economic conditions.

I was struck by their observations about lower incomes from their commodities, by the higher costs created by high interest rates and how, in this case, these wives or their husbands had to leave the farms to get some outside income to supplement their cash and help hold up their heads during tough times. I came away from that meeting with a sense of seeing determined people who were faced with problems that they would overcome. They were not going to bow to these economic pressures from the outside.

I felt that the answers to their problems were in longer-term events and in longer-term economic phenomena. I did not think, and still do not believe, that there is a quick solution to these kinds of long-term problems.

Perhaps I can give a couple of examples. I noted that many people said that they had borrowed too heavily in the 1970s because they were confident and optimistic about their economic future. Therefore, they tied themselves into costs for such things as silos, new equipment or new buildings which could not be removed from the premises. They could not just wish the problems away. These things had to be paid for, despite rising interest rates. The higher interest rates were really causing them severe problems. In that respect they shared problems with small businessmen and big businessmen in my area. In the 1970s there was an optimism about borrowing that was based on an inflation psychology. People believed that if they borrowed and borrowed and borrowed then, as inflation went up past the cost of borrowing, the price of repaying would be lower. In effect, the lender's position would be eroded and the borrower's position would be strengthened. That, indeed, did happen through the 1970s. We saw people