

*Government Orders*

• (1540)

He did not need to convince me, of course, but the dairy producer's concern was that in August the price of dairy products would be increased. By increasing the price of dairy products, and this is a proven fact, we will diminish consumption, which, in turn, will entail a reduction of the quota. So, I get the picture, Mr. Speaker. I am explaining these things to you and I am sure you understood them before I started speaking about them. And you may share my point of view that we should try to work not for us, but for our farmers, once and for all.

[English]

**Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.):** Mr. Speaker, as I listened to the debate I asked myself why we are here, why we have heard, as we have so often in the past, of amendments to particular bills or new legislation being introduced.

I would criticize the government for dodging what I think is the big issue. If I talk about the farm improvement loans act, I will not be specifically critical. By and large it has been a good program, as has been mentioned today. Especially in my province of Saskatchewan it has been very well received and very well used. The parliamentary secretary to the minister is absolutely correct. The default rate is not very high when one considers the amount of money lent through that program.

As I said before, perhaps the big picture or the issue is being dodged or avoided to some extent. I refer to what my colleague from the Bloc had to say. For obvious reasons the member from the Bloc has different plans, different hopes and aspirations for his province than I do for mine. I find myself agreeing very much with what he said today when he talked about the duplication and the overlap of these types of programs.

In Saskatchewan if farmers wanted to borrow money with some sort of government assistance or help they could look at this current program, the farm improvement loans act, small business loans, the Farm Credit Corporation or, only in Saskatchewan, the Agriculture Credit Corporation of Saskatchewan. A farmer has his or her option of four different areas or wickets, as my friend from the Bloc said, from which to borrow this money. I ask myself why. I see no reason for four different bureaucracies to get the same end result.

If I look back on the motion I put forward which is before the House now, one of the basic pillars my motion is built on is to reduce duplication and overlap and to bring the services that cannot be privatized into the lowest or the most local department for delivery of programs or services.

I do not think anybody would deny farmers need access to capital for the financing of their endeavours just as any other business does. Because of the unique characteristics of agriculture with its exposure to unique risks, the private financial services industry has at times been reluctant to provide the services farmers and agri-food businesses need. The unique risks the farming industry faces are related to being very much at the mercy of mother nature and the fact that for the most part we produce perishable goods that must be moved quickly to market and sold.

In our integrated global trading environment where food and non-food products are shipped across our borders, our oceans, our skies and our land, a natural disaster such as a drought, a flood or a hailstorm in one part of the world could create shortages that farmers somewhere else must fill.

The international agricultural marketplace can thus be very volatile and is affected from year to year by price hikes and price drops, by supply gluts and supply shortages. These unique facts of life that farmers face create unique financial needs that some financial services provider must fill.

• (1545)

Our discussion about farm financing should centre around asking the simple question: How can our society and our world best serve the financial needs of the agriculture industry and thus ensure that we have a safe, stable, affordable, and abundant food supply?

Generally, farmers and agri-businesses have proven over the years to be good borrowers to meet the terms and conditions of their loans on time and in full. As the parliamentary secretary has mentioned, that is the case in this program.

There have been years in which an onslaught of unfortunate disasters has occurred that has stretched farmers' income and expenditure balance sheets to the very limit. At times like these, provincial and federal governments have stepped in with emergency aid because the public's interest for a stable food supply has been put at risk.

I can tell you, Mr. Speaker, after spending my entire life in the farming industry, that no farmer wants government handouts. No farmer wants government to be his full time partner in business. We have said over and over again in this House that farmers, just like other business entrepreneurs, want governments off their backs and out of their pockets. We want lower taxes and input costs. We want a streamlined and efficient regulatory process. We want governments to negotiate good trade deals and to open up access to marketplaces so that we can develop to our full potential as world competitors.

What concerns me about legislation such as Bill C-75 is that government is stepping in and taking a role that the private financial services industry could and perhaps should provide. As long as this government or any government continues to