

*Farm Loans*

**Mr. Deputy Speaker:** Order, please. The hon. member for Lethbridge-Foothills (Mr. Thacker) has the floor.

**Mr. Whelan:** What a ridiculous statement! It is similar to the earlier one of the hon. member for Crowfoot (Mr. Malone).

**Mr. Thacker:** The hon. member for Lévis (Mr. Gourde) referred to the great Minister of Agriculture and the great accomplishments of the Liberal government over the past 15 years. He should realize that 15 years ago Canada had a balanced budget and did not have a national debt. He should look at where the Liberals have taken us.

For example, we could look at what has happened in other countries, such as Poland. Once it was a massive exporter of food, and then it became continuously more and more involved with government. The government started to take over the agricultural infrastructure. It started to set up state export and import corporations. Now the people of Poland are lining up for food. We should not think that that cannot happen here. We import \$1 billion worth of food per year because of government policies.

Why are we debating an increase in loans made by the Farm Credit Corporation? It is because of massively high interest rates. Why are there massively high interest rates? It is because of the deficit. We did not have a deficit when the government first took office; there were balanced budgets in the country. Then there was the great Liberal deceit of the Canadian people. There were various tremendously popular programs with low capitalist taxes. The government could maintain low taxes because it borrowed the difference. In the first year it was \$1 billion, no problem; then it was \$5 billion, no problem; then it was \$25 billion, and it started to become a problem. Members of the opposition then said to Canadians, "We are getting ourselves into a jam." But the Liberals offered great programs with low taxes and borrowed the difference, until today when the national net debt is some \$90 billion.

The interest cost to service this debt is so massive that the government cannot step in and do the things it should. For example, the automotive industry requires help, but the government has no money because 25 cents of every tax dollar goes to service the debt. Not only does the massive debt and the interest on it stop and block government flexibility, but it concentrates wealth into the hands of a very few Canadians, the people with real wealth. In a generation it will be just like Third World countries—massively rich people and massively poor people. This is what governments can do, and this is what the Liberal government can be fairly and honestly criticized for.

What does the Minister of Agriculture say to this? He said that all western nations are suffering inflation and that, therefore, we are no worse than others. This is absolutely incorrect. When the Minister of Agriculture took office, Canada had a standard of living which was second to all other western industrialized nations; now it is No. 13. What kind of a record is that? It is the record of the Minister of Agriculture and of

the government. Canada's resources go far beyond those of Germany and Japan, yet those countries have much higher standards of living. The reason is that their governments have been honest. When they propose programs, they propose taxing regimes so that people can genuinely decide.

**Mr. Whelan:** Their debt loads are bigger than ours, compared with resources.

**Mr. Thacker:** The minister thinks that if we have resources we can borrow. Within his own life and his own business he would never borrow sufficient to bring his debt load up to his equity load, yet this is exactly what the government thinks Canadians should do. When the minister is dealing with other people's money, trust and responsibility, he is prepared to take them into debt. He would not do it in his own farming operation because he is a good farmer, and he should not do it for Canadians, either.

**Mr. Taylor:** Right on!

**Mr. Whelan:** I would not do it any differently for Canadians. We are running a good ship.

**Mr. Taylor:** There are a lot of leaks in your ship.

**Mr. Thacker:** The *Titanic* was a good ship too, but it hit the "rocks".

**Mr. Whelan:** But we have a good captain on this ship and a good crew, I should add.

**Mr. Taylor:** Your navigator is blind in both eyes.

**Mr. Thacker:** The Minister of Agriculture seems to think that the Liberal Party has a good captain. I have the feeling that many people of Polish descent have some questions about that. If he is a good captain, I am certainly worried about some of the first mates.

There are other reasons why Bill C-88 has to be amended. Of course farmers require more money because of government policies. But we should never look at any bill in isolation. We must look at it as broad government policy. What do we find? On the one hand, there is the offer to farmers of a few more dollars by the FCC, which only take them deeper into debt. On the other hand, the government is abolishing via its budget provisions the income-averaging annuity program and the capital gains forward reserve. The government is not changing the valuation date to 1974, as was promised in the government's election campaign.

• (1600)

The effect of those policies will impose a far greater burden on the farming community. This little band-aid affair is giving them a few extra dollars and taking them deeper into debt. Why does the government not abolish capital gains? There is no need to keep that going in view of the very small percentage of Canadian land that is bona fide agricultural land. Food is too important a product to have bona fide agricultural land taxed. Why does the government not abolish the roll-over