

the agri-bond program recommended in the Finance, Trade and Economic Affairs Committee Reports to assist a good portion of the young farmers who are facing serious financial difficulty.

I was reassured as much as is possible by the Minister's words today that the potato industry is going to get his support and that there will be a potato purchasing program put in place under the Agricultural Products Act, because we have literally hundreds of producers in the Maritimes especially, although much of the industry is suffering in Manitoba and other places as well. These producers receive something in the order of 2.5 cents a pound, which is slightly less or more, perhaps, than half the cost of production. They can surely not survive indefinitely. I have recommended to him that he remove the inspection fee or place a moratorium on it, at least for this year or, perhaps, even indefinitely, which would be a more popular move. I am told that a person operating a 600-acre farm will pay inspection fees in the order of \$6,000.

● (1530)

Mr. Wise: That is inaccurate.

Mr. Foster: That seems like a great deal of expense for an industry in which one receives about half of one's production costs.

While the Minister has soothing words, I think the industry is looking for decisions and actions. I suppose it is unfortunate from the Government's point of view that many of these actions will cost money. However, when one looks at the depth of the problem from the farmer's viewpoint, when one looks at the impact on rural Canada and the long-term interests with respect to Canada both domestically and internationally, I think the type of commitment which was given to other sectors of the economy should be given to the agricultural sector. We are certainly looking at an emergency debt situation and crisis in the short run. We are looking at a cost-price squeeze which the Government can help in certain ways over a longer period of time. We are looking at a fierce situation in terms of the international market. We want to see the Government respond in a positive way to the recommendations made by the Leader of the Official Opposition a few weeks ago and those which he repeated here in the House today, as well as the recommendations coming forward from agricultural groups in the country. This industry is just too important to be receiving only soothing words. It requires a total commitment by the Government and the people of the country at large so that we can see it survive and prosper as a family farm type of industry and not be changed to the type of industry which we see in the United States and some other countries.

Mr. Deputy Speaker: Are there questions or comments? The Hon. Minister of Agriculture (Mr. Wise).

Mr. Wise: Mr. Speaker, I have a couple of observations and questions to ask of the Hon. Member for Algoma (Mr. Foster). The Hon. Member speaks about soothing words. He should be an expert on soothing words since during the time

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his Party was in power that was all it delivered to the agriculture industry.

I would ask Hon. Members to consider the farm finance situation. If the Hon. Member examines the record he will recognize that there was only one single action taken by the previous Government to address that problem. I am speaking of the special farm assistance legislation which lowered interest rates by 4 percentage points on a very selective basis to about 2,100 clients of the FCC. When my Party assumed office we moved interest rate conversion legislation which lowered interest rates across the board to all FCC clients who held loans and mortgages with interest rates at 16.75 per cent. We brought them all down 4 percentage points to the benefit of 5,600 clients. That was an \$80 million commitment to the agricultural industry. That is not an action which fills the definition of soothing words. That is an action in terms of dollars.

In addition to the introduction of the interest rate conversion measure we put into place appeal boards across the country. We also introduced the shared risk mortgage program and, in addition, we lowered interest rates five times. Interest rates are now at the lowest point they have ever been in the FCC since 1979. Those are not simply soothing words but actions which have required the expenditure of dollars.

During the same period of time the previous Government saw interest rates increase by about nine percentage points to 20 per cent or 24 per cent. That is what happened when no action whatsoever was taken by the previous Government. Those were extremely devastating events which took place and which seriously impact the agricultural industry today.

I wish to ask the Hon. Member whether he realizes that for every percentage point increase in the general interest rate in the country there is a cost to the Canadian farmer of \$140 million. Has the Hon. Member not observed that since my Party has taken office there has been a three percentage point decline in general interest rates in the country? Does he not know that for each percentage point of decrease there is a saving of \$140 million to the Canadian farmer? During the time the previous Government held office, and because it took no action and allowed interest rates to increase from 10 per cent to 24 per cent, there was a direct cost to Canadian farmers to the tune of \$1.4 billion. What did the Hon. Member's Government do? It had nothing but soothing words. We have taken action.

Some Hon. Members: Hear, hear!

Mr. Foster: Mr. Speaker, that was a beautiful intervention by the Minister of Agriculture (Mr. Wise).

Mr. Wise: It was fact.

Mr. Foster: He knows that the reason he was able to carry out that flip with respect to interest rates was because the previous Liberal Government had left \$600 million worth of funds in the Farm Credit portfolio. Rather than costing his Government \$80 million, which, of course, is a total canard, it