

Agriculture

potato marketing board in eastern Canada. Since then, a technical committee of federal and provincial officials has met several times. The ministers also had the chance to discuss the subject further, and a task force was established to hold public hearings and report on the subject. The report which was tabled a few months ago recommended the setting up of a board which will emphasize the exploration for new markets and the promotion of the product, but which will not be empowered to manage supply. That is another one of this minister's initiatives which was put forward. The setting up of such an office is a democratic process which should be initiated by the base, namely, the farmers themselves, and all those involved in the industry; provincial authorities should also commit themselves.

Mr. Speaker, this democratic process works quite well in the case of the Potato Marketing Agency for Eastern Canada. And I believe we can expect some action in this area very soon. The early stages of a marketing board are not always easy, as is well known, and I mentioned this a moment ago in the case of milk. A breaking-in period is required before the system works well and the various components are welded into a smooth organization. At the outset, therefore, all parties concerned must agree and recognize the need for the system, otherwise all efforts are doomed to failure. I believe my colleague for Chicoutimi knows something about this for having worked strenuously as regional president of the Quebec Federation of Potato Growers. It is essential to proceed with restraint and without undue haste. I believe that in time, the whole agri-food sector in Canada, from producer to consumer, will benefit from this.

In the area of farm credit, it is true that as a result of the financial hardships experienced by many farmers because of high interest rates, some government action in the area of farm credit is being considered. This matter was raised in this House recently and the government is now considering the possibility of empowering the Farm Credit Corporation to raise part of its funding in the private sector. Total long-term credit extended to farmers—

[English]

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member but his allotted time has expired.

Mr. Terry Sargeant (Selkirk-Interlake): Mr. Speaker, I must admit that, like others who have spoken before me today, I am not a farmer but many of my constituents are. Indeed, farming is the largest single industry in my constituency. For that reason and for the effects of agriculture on the whole of western Canada, today's debate is of great interest to me.

● (1720)

One of the most significant areas in which westerners feel the federal government is not working in their best interests is that of its present inadequate agricultural policies. At present the minister sports a stetson and western boots and gallops

about the country mouthing platitudes about helping farmers and fighting high interest rates charged by the banks, and making hundreds of other promises. For all his promises, he and his colleagues have been unable to do anything in a meaningful way to help the farmers.

Mr. Whelan: That is not true.

Mr. Sargeant: Perhaps the minister does not understand how serious is the situation of our farmers.

Mr. Whelan: We give them more money in Manitoba than the government of Manitoba does.

Mr. Sargeant: I know how he talks about high interest and farm incomes.

Mr. Whelan: You seem to forget about the herd maintenance program.

Mr. Sargeant: Also he talks about other problems, but perhaps it is just an intellectual exercise for him. I find it rather strange that hon. members on this side of the House were asked to extend a little courtesy to the minister when he was speaking, but he does not extend the same courtesy to me.

Mr. Whelan: I will, I will.

An hon. Member: You are getting to him!

Mr. Sargeant: While it might be an intellectual exercise for the minister, in my home province it is not an intellectual exercise. It is hard, cold economic reality, and it hurts.

In Manitoba last year total farm cash receipts were up only 6.9 per cent, while farm operating and depreciation charges were up 8.7 per cent. In other words, in 1980 the realized net income for the average Manitoba farmer increased by only 1.8 per cent. Considering that inflation was running at 11 per cent, Manitoba farmers lost quite a bit. If it was a bad year in general for Manitoba farmers, it was a particularly bad year for cattle and hog producers. Their cash receipts actually decreased by one half to one per cent. A little later I will talk about that.

What does next year hold in store? It will be more of the same. The projections that have been prepared call for a decrease of 8 per cent in the net income of Manitoba farmers in 1981. If the government has some agricultural policies, clearly they are not working. Certainly the government does not have the answers or, if it thinks it does, they must be the wrong ones.

Let me turn for a moment to some of the areas in which we feel the government has failed or taken wrong-headed actions. Perhaps the underpinning of our agricultural policies has to be a sound approach to the transportation of goods. My colleagues and I believe that for the further development of western Canada, the Crownest Pass freight rates are vital, must be maintained and extended.

Presently there seems to be a monumental battle taking place within cabinet as to how the Crow rate issue should be