

into place programs to conserve and preserve their soils for the future. I believe all food producers should be congratulated for the faith and vision which they have. I know that without such a vision we would all perish. I congratulate our farmers.

● (1620)

**The Acting Speaker (Mr. Binns):** Are there questions or comments? The Hon. Member for Moose Jaw (Mr. Gottselig).

**Mr. Gottselig:** Mr. Speaker, I would like to compliment my colleague, the Hon. Member for Huron-Bruce (Mr. Cardiff), on his excellent presentation dealing with the Budget and the agricultural policies which are in existence today. He highlighted some of the problems faced by food producers. I think we would all agree that the biggest single factor affecting agricultural producers is high interest costs. That problem is followed closely by issues concerning chemicals, fuel and parts. All input costs have escalated while commodity prices have declined. I was happy to hear the Hon. Member deal with the fuel tax rebate provision which is to be extended for another year. In Saskatchewan we have a similar type of program which became effective on January 1, 1986. In Saskatchewan the rebate is 4.6 cents per litre of fuel used by primary producers. I am told that it was just a coincidence that on the same day the rebate was to take effect all fuel companies, including the small local co-ops, increased their prices by about the same amount or even a little bit more. They increased the price to about five cents a litre. I think this is an area which should be investigated.

The Hon. Member also mentioned in his remarks the simplification of the forms for off-on highway use. The real meat of his remarks dealt with the Farm Credit Corporation commodity mortgage. The Government has taken the lead in dealing with this farm financing problem. The setting up of review boards is the next step in the process. There is a provincial review board in existence in Saskatchewan. I was happy to see that in the Budget special mention was made of measures which would be taken to ease the transition of farmers who must seek alternative forms of employment. I think it is responsible of the Minister to recognize the fact that although we would like to save all agricultural producers we simply cannot do it. We already know that.

What role does the Hon. Member see other financial institutions playing in this scenario? The Farm Credit Corporation is really a small player in the game of farm financing. There is far more involved in farm financing by banks, credit unions and trust companies. What does the Hon. Member see as their role in the process?

**Mr. Cardiff:** Mr. Speaker, I would like to thank my colleague for his question. The major lending institutions hold a tremendous amount of capital in agriculture at the present time. We must ask them for their co-operation in terms of helping us through the stressful times in which we are at present.

It is my understanding that in discussions which the Minister of Agriculture is having with the major lending institutions

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he is asking them for their co-operation in this regard. I know that in many cases the financial institutions have given their co-operation. In some cases it has not been to the extent which the borrower would like to have seen. However, I know that in my riding there have been times when co-operation has been given. I know that it really is a matter which must be resolved between the borrower and the lender. We know what happens when there are personality conflicts between the borrower and the lender and communication breaks down. I feel that the review boards will play a meaningful role in bringing everyone back to the bargaining table. They will provide the climate and opportunity for everyone to get together to try to restructure an individual's debt. It does not matter from whom the money is borrowed, each one has to be dealt with on an individual basis. I see us as having good co-operation from the lending institutions. I know they want to work through this program and they will help and assist us in that way. As a Member of Parliament I am often called upon to help facilitate bringing borrowers and lenders together in order to work out programs.

I believe Hon. Members know that the first debt review board was established as a pilot project in the Bruce-Grey area which is part of my riding. It was a successful program. We can build on parts of what happened through that process in order to put a new review board in place.

The Hon. Member for Moose Jaw (Mr. Gottselig) mentioned the transition of farmers. That is a difficult situation with which to deal. I have never really been in favour of a program which assists someone out of a business. However, sometimes we have to face facts and look at the circumstances as they exist. We must realize that some of these people may wish to leave farming because of what has happened in the past. We should be thankful that there is something in place which can be set aside for this transition program. The Province of Ontario has a transition-type program in place. I would like to see more money targeted to keep people in agriculture rather than help them out of it because of the circumstances.

**Mr. Benjamin:** Mr. Speaker, I would like to ask the Hon. Member for Huron-Bruce (Mr. Cardiff) a question arising out of a point brought up by the Hon. Member for Moose Jaw (Mr. Gottselig). We have had some bitter experiences over the years both at the federal and the provincial Government levels. When Governments have removed an excise or sales tax there has never been a legislative requirement put in place which would require a manufacturer, processor, wholesaler or retailer to pass the reduction on to the consumer. Would the Hon. Member support a requirement in law to the effect that any reduction in sales or excise tax on farm fuels, or anything else, be passed on to the consumer? Would he support such a measure even if it were necessary to amend the ways and means motion? If the Minister of Finance (Mr. Wilson) were to present another Bill to the House in this regard, would he support it?

**Mr. Cardiff:** Mr. Speaker, if it would be within the legal limits of the House for the Minister to do so and if it could be