

Supply

Mr. Angus: On a point of order. Very briefly, Mr. Speaker, in order to assist the hon. member, if he wishes that sentence out of the motion he can move an amendment.

The Acting Speaker (Mr. Van De Walle): We will move on to debate. The member for Perth—Wellington—Waterloo.

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Mr. Speaker, I am very pleased to stand and discuss this topic today because it was generated from my standing committee.

The motion before us is essentially the same, with that little add-on that seems to be picking up most of the emotional debate today, whether it is a matter of confidence or not. It places me in a difficult position. If it is a confidence motion, do I vote for the motion and, therefore, vote against my government? That is difficult. But I am thinking it is almost as difficult as the problem the member for Mackenzie had, and the member for Algoma, both of whom spoke earlier, when for the last nine days they supported a strike by the Public Service Alliance that was crippling the ability to ship grain and was costing the farm community some \$36 million a year.

So it is one of the conundrums all of us have, particularly in my committee, which is so concerned about the farm industry. We speak to these people on a regular basis, an every day basis in our ridings. We held a special meeting—not an emergency meeting per se, but a special meeting—in August and listened to all the farm groups.

The member for Mackenzie in his introduction has very fairly stated a good part of the genesis of the problem we have in Canada at the present moment. I would like to go a little further with the genesis, however, because it goes back into the seventies when people in the farm business, and indeed they are in business, were encouraged to get bigger. Basically, several factors did this; governments did this, farm communities did this, circumstance did this.

In the seventies and the early eighties, I guess mainly in the seventies, farm land prices were increasing, often at the rate of something like 22 per cent a year, so farmers had to buy more farm land. They borrowed money because farm profits were very high. The bankers basically said to the farmers; well, don't borrow just the

\$25,000 that you need now, borrow \$50,000 and do it right and do it bigger”.

The whole psychology—government, bankers and farmers—led the farm community into a very high debt situation. Our study last year shows that there is about \$5 billion in non-serviceable debt, and many of the farm leaders—at least one significant farm leader at the moment—is saying that that is one of the major problems that has to be overcome in the farm community, to get rid of that debt. Somehow that debt has to be eaten by somebody like it was in the States—although we do not want the trauma that went with that down in the States. How that will occur I don't particularly know.

Part of the reason for the large debt increase in the seventies was the fact that we changed policy; we allowed the banks to get into lending money as well. Prior to that point they could not lend long-term money to buy land.

We know as well that farmers vary in efficiency. There are larger differences in what the same two farmers, farming the same type of land side by side can produce on their land. We know that there are people out there hurting more than others because their efficiency is not as great as others but, indeed, we also know at the moment, like the member said, that even many of our very best farmers are now having problems.

We are into a circumstance in Canada where it is difficult psychologically for the farmers because all around the problems are there, not just grains and oilseeds which we heard about this morning and I would like to talk about a little more later, but the pork industry right now is having very low prices. The situation in Ontario, for instance, where shipping 75,000 hogs a week would normally mean a peak in prices, but the prices coming to the farmers are quite low.

In Canada, we often trigger the Canadian price by what we can export to the United States. However, for reasons I do not totally understand, prices in the United States are low as well. Perhaps it is because of things that are happening in North Carolina, for example. When pork farmers from my riding of Perth—Wellington—Waterloo, but primarily from the county of Perth, went down to the Carolinas, they visited a farm called Murphy Farms. That one farm has 80,000 sows in production at the present time. They plan to expand their operation