

HOUSE OF COMMONS

Wednesday, March 16, 1983

The House met at 2 p.m.

• (1405)

STATEMENTS PURSUANT TO S.O. 21

[Translation]

AGRICULTURE

RE-EVALUATION SOUGHT OF FARM CREDIT CORPORATION LOAN POLICY

Mr. Marcel Ostiguy (Saint-Hyacinthe-Bagot): Madam Speaker, Canada's agricultural industry is one of the major sectors of our economy, in which many billions of dollars are invested. Today, I would like to draw the attention of the Minister of Agriculture (Mr. Whelan), with the co-operation of the Minister of Finance (Mr. Lalonde), to the fact that during 1981-82, over a thousand farmers had to take out farm loans at 16.75 per cent for periods of from 25 to 29 years.

Since the economic situation seems to have stabilized as far as interest rates are concerned—a fortunate result of the Government's 6 and 5 policy—I would like to see a re-assessment by the Farm Credit Corporation of a procedure that would enable these farmers to continue their farming operations on financial terms that would provide for more equitable interest rates. For instance, in the case of mortgages for a single-family dwelling, at a time when interest rates were rising, loans were contracted for a period not exceeding three years. I would like to see the same conditions apply to loans contracted by farmers with the Farm Credit Corporation.

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[English]

FINANCE

CALL FOR REMOVAL OF TAX ON FARM FUELS

Mr. Len Gustafson (Assiniboia): Madam Speaker, I rise on a serious matter facing the Canadian people, that being the high cost of fuel in Canada. Concerning the price of a gallon of gasoline, 66 per cent goes toward government tax, leaving 34 per cent to the industry.

Some Hon. Members: Provincial!

Mr. Gustafson: Let us make no mistake about who is the culprit in causing the high cost of fuel in Canada. The cost of

fuel in the United States is 30 per cent less, operating at world price. The comparison is very plain. The total government tax in the United States is 12 per cent of the cost of the fuel, while the total percentage of tax in Canada is 66 per cent of the cost of a gallon of gasoline.

In the case of the farmers' fuel, the federal tax is 60 cents a gallon. This heavy handed Government tax is having a counterproductive impact on the farming industry in Canada at a time when farmers can least afford it. I call on the Government to remove immediately the federal sales tax on farm fuel, before farmers begin spring seeding.

Mr. Hnatyshyn: Wunderbar!

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UNEMPLOYMENT INSURANCE

PAYMENT OF BENEFITS TO SHORT-TERM FARM WORKERS

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, my statement concerns unemployment insurance and short-term farm work. January 1, 1983, was a very important day for thousands of short-term farm workers in Canada. It was on that day that these workers officially ceased being second class citizens in the eyes of the Government and were given the same wage insurance rights as other workers in Canada. According to statements made by the Minister of Employment and Immigration (Mr. Axworthy) in the House last week, that equity might be short lived.

On March 7 and March 9 the Minister said that he would be drafting new UI regulations which would again force short-term farm workers to work for the same employer for much longer periods of time than other Canadians before their earnings could be insured. My colleagues and I condemn this latest flip-flop on UI which will deprive short-term workers, who are among the poorest paid workers in all Canada, of decent insurance protection.

As everyone knows, farm workers do backbreaking, insecure, and often very dangerous work. We therefore call upon the Minister of Employment and Immigration to shelve any proposals to create new UI loopholes until he has met with and studied the proposals of the representatives and associations of the farm workers who would be disadvantaged by regressive amendments.