

*Supply*

**Mr. Foster:** Madam Speaker, the situation of FCC mortgages is rapidly deteriorating. Arrears have jumped by 38 per cent in the last 12 months. Some 16,000 of the 70,000 mortgages are now in arrears and 6,150 of them have been in arrears for more than two years. The Minister said earlier last fall that as soon as the farm debt review boards were established, he would lift the moratorium on FCC foreclosures. Perhaps he could tell us what he is planning to do in that regard as many people seem to think that if the FCC and the banks were to take over all the land on which they have mortgages, the value of land would drop dramatically.

Since the genial Minister of Transport (Mr. Crosbie) is in the House, perhaps the Minister could comment on whether or not the freeze on freight rates will be continued into the new crop year. Perhaps my motion did not make it clear that I was interested in knowing if that freeze on freight rates would continue or if the grain transportation charges would be increased by the 50 per cent that has been forecast by the senior grain transportation agency and other groups.

**The Acting Speaker (Mrs. Champagne):** I must advise the Minister that his answer will have to be very short, perhaps one minute.

• (1700)

**Mr. Wise:** The Hon. Member has raised a number of questions. With regard to the FCC we have had the moratorium, the interest rate conversion program, the shared risk mortgage and the commodity based loan. There is \$300 million in there. The equity financing task force is to report to me by the end of the month. We have established the Farm Debt Review legislation, the farm debt review boards and the Rural Transition Program. I could go on and on.

The fact is that I put that moratorium on in September of 1985. If I had to do it over again, I would do it over again. The Hon. Member may find this surprising, but the fact is that, even given the difficulties in farm financing, I am under more pressure to lift the moratorium. However, I am not going to do it abruptly or unilaterally for the very reasons that the Hon. Member mentions. The Farm Debt Review boards are up and operating. The rural transition program is 80 per cent successful. We have had an approximately 66 per cent success rate in the farm debt review boards in Alberta and about 55 per cent across the country. That is not bad because the first cases they will be dealing with are very, very severe.

I have consulted with some of the farm leadership. I am meeting with the Farm Debt Review chairpeople across the country. We are going to work out a system whereby there will be more fairness and equity for those farmers who are not protected by the moratorium. We are exploring ways of giving more prosperity to the FCC on longer term leases and so on.

**The Acting Speaker (Mrs. Champagne):** The Minister knows that it is with deep regret that I have to interrupt him at this time.

**Mr. Stan J. Hovdebo (Prince Albert):** Madam Speaker, I appreciate the opportunity to rise to debate a motion which deals with agriculture. As I said a little earlier, many farmers and farming organizations are very much concerned that we here in the Parliament of Canada are fiddling while the agriculture industry goes down the drain. It is not as though it were decreasing by the day or the season. It is a major blow to grain producers, now that grain prices will be 20 per cent lower, that the Government has not committed itself to having the money available to keep incomes at the level of last year at least, even if not through deficiency payments on a per bushel or per acre basis.

There is no doubt that agriculture needs a considerable amount of attention from the federal and provincial Governments since it is a shared responsibility. All the Governments of the country must look at the agricultural industry. If we cannot find a solution acceptable to everyone which can deal with the crisis in agriculture, we will lose 20 to 30 per cent of our farmers in the next year, particularly on the Prairies. That does not mean that that farmland will go out of production or that we will produce less grain. It just means that a way of life which started 150 years ago and developed into the best lifestyle in the country is going to disappear. It does not have to disappear. The important point is that it does not have to disappear. Surely there are enough people in this country who recognize that and will commit the necessary time and effort to ensure that that does not happen.

I am not going to spend a lot of time discussing the concerns of the effect that high input costs have had on the incomes of farmers which has led to the crisis we are facing in the farming communities. That does not apply only to the grain farming communities but to most farm communities because commodity prices have gone down almost right across the board. We have had some temporary relief in hogs and cattle, but commodity prices have gone down and input costs have gone up in almost all other commodity areas, with the result that the net farm income has been reduced to almost zero in most of those areas.

Let us take a look at the truths of the situation, at what is happening in the farm community today. In only a couple of minutes of scanning rural papers from the Prairies I came up with four little items which speak to the quality of life which is disappearing in the farm community, and not only on the Prairies although these come from prairie publications.

The farm suicide rate has increased and is now several percentage points higher than that in other categories in the country. In fact, there is a suggestion that 50 per cent of the farm deaths in Saskatchewan last year could have been suicides. Last week there were 30 stress seminars in Saskatchewan and I understand that they were all well attended. The Legal Aid Societies in Saskatchewan are establishing seminars to teach farmers their rights with regard to bankruptcies. Last, but not necessarily of least importance, the children of credit union managers are being harassed by their classmates on the school grounds.