

The Budget

budget list of cuts last year was: \$200 million from crop insurance, \$60 million from the at and east legislation under the Department of Transport, rail branchline rehabilitation program \$48 million, grain and crop advance payments \$54 million, dairy exports \$12 million, commodity based loans \$15 million, and the Canadian Dairy Commission \$10 million.

Those are actual cuts in programs that have served the farmers of this country very well over the years. To cut them at a time like this when farmers are facing tremendous economic downturns in the prices they receive is not acceptable. When I look at what has happened to compound this problem across the rest of Canada, I have to wonder just where this government is taking us.

I look at what has happened in pork production across Canada, exports to the United States have dropped dramatically in the first three weeks of January alone this year. Last year there were 12.5 per cent less producers in the province of Ontario than the year before. In Middlesex county there were 13.9 per cent less and in Lambton county 12.45 per cent less producers in one year.

This industry is being very hard-hit by the government, its programs, and particularly by the free trade agreement with the United States and the lack of an agreement with the United States that the U.S. trade remedy laws would not apply to Canada and to our exports. In the words of the Clayton Yeutter, "those laws remain intact and secure". On top of that, the Americans passed the omnibus Trade Bill in the fall of 1988 that makes a mockery of the whole free trade agreement.

Across Canada there is a forecast drop in farm income of 39 per cent for the year 1990, Manitoba will drop 87 per cent, Alberta will drop by 66 per cent, Ontario will drop by 8 per cent, but Saskatchewan's realized net income will drop by 101 per cent.

I am sure we all heard the Premier of Saskatchewan on television last night, begging for help from the federal government, help that is not forthcoming, unless the government gives him another billion dollars to help him through the next provincial election. This is what happened a few years ago. Let us see if it happens again. If it

does, we are going to be demanding that this help be available to all Canadian farmers.

I want to go a little further and make a comparison about what is happening here in Canada, where we are asked to compete for world markets. I want to put it on record that under the United States program of acreage set-asides and the target prices and deficiency payments, United States producers have a distinct advantage over our Canadian producers. All we ask is for a similar payment now that is comparable to that of the United States. Let us have it for the Canadian farmers to keep agriculture as a viable industry, to keep these people on their farms so they can produce a crop this year.

If the U.S. deficiency payment is 60 cents a bushel, and that is what is forecast for this year for corn, about half is available at the time of sign-up for the program which is this month of March. That money is in their pockets so they can buy the input items needed for crops, whether fertilizer, chemicals, pesticides, herbicides or seed.

If the average yield is 120 bushels per acre, the United States producer would receive that \$36 an acre this month. Converted into Canadian funds, that averages over \$40 an acre the farmer will receive this month to help him through this tough period. We do not have that in Canada, because this government has failed to realize the need that we have to compete in world markets. If we are going to compete in those world markets, we have to have equal programs.

I also wish to point out the costs of these inputs are 25 per cent greater in Canada than they are in the United States. Canadian farmers do not have the support from the government. Under the current crop prices, they cannot even cash flow their input costs or their anticipated returns after harvest. It is simply not there. Consequently, the lending institutions in Canada are refusing operating loans to our Canadian farmers for this year in numbers that are unprecedented in Canadian history. It is worse now than it was in the 1930s. Last night we heard on television that one third of the farmers in Saskatchewan are in deep financial trouble and another third are in serious trouble.

We in the Official Opposition have spoken of these issues time and time again in this Chamber. We spoke of the cut-backs in the agriculture expenditures in the leaked budget of last year and the impact on the rural economy, but to no avail. I suppose with the pending election in Saskatchewan this year, this government will