determine the exact figure, approximately 25 per cent to 30 per cent of the cost of farm fuel in this country is associated with federal tax. This is a high cost to farmers. When one considers the overall amount of fuel used in a farming operation, approximately 25 per cent of total farm costs are associated with energy. This shows how significant energy costs are to such an operation. This is an area where the federal Government takes an excessive amount of tax.

Government members opposite will say that if the taxation is reduced the deficit will increase. Let me point out that farmers and fishermen are allowed a seven cents per gallon or one and a half cents per litre rebate. They pay the tax and then apply for the rebate. If the Minister of Finance was serious about doing something, he could have implemented a system whereby, instead of applying for the rebate, farmers and fishermen could swear a type of affidavit indicating that the fuel they purchased would be used only for those purposes that would permit a refund. While this would not have amounted to a net reduction in the amount of tax that farmers pay, it would have removed that seven cents a gallon tax when they bought their fuel initially.

Farmers and fishermen find it very annoying and cumbersome to apply for refunds. This procedure is typical of how the Revenue Department is operating currently. I have had occasion in our farming operation to have conversations with auditors and others in the Revenue Department. They want all kinds of invoices and additional information that I do not believe is necessary. Many people simply give up and do not apply for the refund, which means that there is taxation by default.

If the Government had taken its Budget seriously it could have considered not collecting the seven cents a gallon initially and doing away with the refund. It would save the Government money in administration and save farmers some initial costs. When there are problems with bankruptcies and fuel dealers having to collect their bills, this would be seven cents a gallon less that they would have to worry about collecting. This would have been beneficial to everyone but it makes too much common sense to the Government to consider it.

The Hon. Member for Willowdale (Mr. Peterson) is shouting something at me from the back row. If he would listen I think he would agree that what I say makes common sense. I hope he would talk to his Minister of Finance and his Parliamentary Secretary, who are not here, unfortunately, to see if they would consider some of these ideas. If they did so perhaps people would have more respect for the Government. It makes common sense in terms of how the Government administers its affairs and would cut down on the amount of paper work for the Revenue Department. It would decrease the amount of the contact between the Department of Revenue and taxpayers. It would help farmers and fishermen in terms of their initial outlay.

Let me talk about the agri-bond concept. Financing is a very important part of agriculture today. I believe there is room for the Farm Credit Corporation to operate similar to how CMHC used to operate. It could act as a re-insurer, as a go between the buyer and the seller, take 1 per cent or 2 per cent as a mark-up, and guarantee the loan. That would significantly help in finding capital to put new farmers on the land.

I could also talk about advance payments legislation. We have encouraged the Government for some time to increase the amount of advanced payments available under legislation. In many ways it costs the Government a minimal amount of money. It is a program that has worked well and it would put cash into the farmers' hands sooner than normal.

In conclusion, I would simply urge the Government to proceed as quickly as possible with the red meat stabilization program in this country. Four provinces have agreed to it in principle. In fact, many people are saying that the federal Government has lost its leadership in this area. If the Government were to show some interest and pursue this program, I believe the balkanization that is taking place in the red meat industry in this country could be stopped by having a national, uniform program for stabilization from coast to coast. Unfortunately, as a result of the lack of direction shown by the Government, its Budget does not take that into account. The Budget is very unfortunate for a country that has so much potential and a promising future. I will have no trouble at all in not supporting the Budget and voting against it.

● (1125)

[*Translation*]

The Acting Speaker (Mr. Guilbault): A ten-minute period is now allowed for comments or questions relating to the Hon. Member's speech. Debate. The Hon. Minister of National Health and Welfare (Miss Bégin).

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, job creation was a major concern of the Hon. Members who spoke previously, as it was in the Budget, and rightly so, since it is the main concern of all Canadians.

[*English*]

Besides job creation and in parallel, I think it is very urgent for Canadians to start addressing, not just debating, the question of pensions. We do so as well in the Budget.

Let me explain, if I may. First, public pensions. I think it is important for everyone in Canada to know once and for all, although some other improvements are possible, that the basis for public pensions in Canada is now established to my great pleasure by the Government in this Budget of the Minister of Finance (Mr. Lalonde). It means single pensioners, three-quarters of them being women, who receive the supplement, even if they receive a small part of the supplement, are people in need. We do not like to say it and we do not even like to admit it, but they are really people in need. That replaces the much smaller, wealthier group which the provinces would be paying for. When a person reaches 65 years of age one becomes a pensioner. If that person is in need, he or she gets help through the federal Government and through what is called the supplement.