manage the large foreign debt and several other factors will determine the extent of the rise in interest rates.

We have already experienced an increase of about 2% in interest rates recently. Many are predicting further increases. This will have further impact on Canadian farmers with their ever increasing debt-load resulting in a reduction of possible income.

- continuing cost increases for farm inputs. There is no indication that these costs will deminish. Most expect that they will increase by at least 4% in 1985.
- capital availability for agriculture. With decreasing net income in many sectors of Canadian Agriculture and the increasing reluctance of bankers to increase their risks more and more farmers will have difficulty finding finances for either operating expenses or capital equipment replacement or both.

The foregoing are just some of the indicators which point to continuing and increasing financial difficulty for most farmers in Canada. With the erosion of net farm income, equity and availability of capital, coupled with the strong possibility of losing some of the traditional export markets, farmers will have to make many more adjustments if they wish to survive. They will need to have as much flexibility as possible. Now is not the time for the government to consider any policies which could restrict the farmers in any way. Rather, restrictions should be removed to give the farmer as much flexibility as possible.