

Supply

So while there are concerns, which there is no question about, to signal that the whole industry is in dire straits, as this motion does, belies the over-all situation of agriculture.

What concerns me as much about the motion as anything is that there really is no over-all indication of what the hon. member and his party would do. We know they would spend more money. I do not know where they would get it. They would, I assume, print or borrow it, but they would spend more money. We have already pointed out that if that is their sole purpose they should be encouraging us to deal with the provinces to get additional money rather than simply saying that we should spend the money federally and hope that the provinces will kick in later.

The reason we should be concerned about this is that in his own province in the last four years, of every \$100 of assistance that has been provided to a Saskatchewan farmer \$87.75 has come from the federal government. That is not a particularly good record. In Manitoba, my own province, it is even worse. The number is \$88.08 according to Agriculture Canada numbers.

If the hon. member is suggesting that we should simply send the money to the provinces and they will to kick in and give additional money to farmers, the past record does not indicate that is likely to happen. That is why if he was really concerned about getting money to farmers he should have indicated in his motion that we should be dealing with the provinces to get them to kick in additional money for farmers.

If the hon. is interested in interest rates I have some more interesting numbers here for him. These are FCC figures and he will know that a big part of the business done in Saskatchewan is with the FCC. Out of 64,000 accounts, 60,000 have interest rates of 13 per cent or less and 52,000 have interest rates of 12 per cent or less, the point being that there are a lot of locked-in interest rates. So as soon as interest rates go up there is not automatically an increase in the interest rate that everybody pays on all of the money they have borrowed.

I will tell you what operating credit amounts to. It is going to be pretty tough for a person to spend much more than \$50 an acre this spring. I can go through how much will be spent for nitrogen, for phosphorous, for seed, for chemical for weed control, and for fuel. I think that \$50 an acre would catch most farmers. It is certainly a ballpark figure. Knock that down by 10 per cent. Ten

per cent on \$50 an acre is \$5 a year. For six months that is about \$2.50 an acre.

I should also point out that fertilizer prices are down a little bit this spring. On my own farm we are buying nitrogen cheaper than I bought it for four or five years, and I think the same is true for phosphorous. So there are some things that are a little cheaper this year than they were.

So there are some thing that have changed in terms of operating costs. In talking about the immediate effect of what is going on with the interest rates you have to take those numbers into consideration. We are talking about lines of credit for immediate cash cost to put a crop in. In a six-month period, which is how most of that is rolled over, we are talking in the area of \$2 to \$3 an acre. That is a certain amount of money but not enough to put everybody in dire straits.

Let me conclude by laying out what this government has tried to do in terms of agriculture. It is really, if you will, a three-pronged attack. We live in a changing world. We produce some very high quality products in this country. We are taking advantage of those.

They want to talk about the Canadian Wheat Board being threatened. I have never heard such a bunch of nonsense in all my life. This was the government that stood behind the Canadian Wheat Board when three years ago it ran over a \$200 million deficit in the pool accounts, contrary to what the previous Liberal government did in the early 1970s when it instituted the Lift program and took our farmers right out of the international market.

With the high-quality products and the changing markets that we have, we are looking to use some of our strong points to continue to sell. The member talked about selling to the United States. Just ponder this for a moment. The U.S. is the largest exporter of wheat in the world. It exports somewhere around 40 million tonnes per year. It has been down to 30 million tonnes and up to 45 or 47 million tonnes, but just take 40 million tonnes as an average. Forty-two million tonnes per year, that is what they export.

• (1600)

Canada used to be the second largest exporter. The Europeans have overtaken us now for subsidy reasons that I will get into in a minute, because that is my second point. We are probably now going to be third. We export somewhere close to half that, a little less than 20 million