

*Farm Loans Interest Rebate Act*

provide some equity across the country, then farmers will be more confident that they will be able to cover their cost of production plus get a decent living standard off their farms.

Bill C-134 will provide only a short-term solution to the problem. It will help, perhaps, a few hundred farmers now in grave financial difficulty and crying out for relief from high interest rates. This proposal, Mr. Speaker, barely scratches the surface of the farm credit crisis in Canada.

● (1700)

**Mr. Blaine A. Thacker (Lethbridge-Foothills):** Mr. Speaker, Bill C-134 is a totally inadequate response to the very serious situation existing in the Canadian agricultural sector. As a result of broad Government policies in several areas we are losing hundreds of men and women who want to devote their careers and talents to producing food for the world. But because of Government policies, often in areas not directly associated with agriculture, farmers are losing their farms and being forced to go on welfare, as are so many other millions of Canadian citizens.

In offering this subsidized interest rate which will reduce payments for approximately 2,000 farmers, the Government is offering peanuts to an agricultural sector of some 320,000 people, all of whom are suffering because of the policies the Government has followed over many years. Sir, it is a truism that the chickens ultimately come home to roost. We as a people are now paying for 15 years of Government policies which simply have not been in the best interests of ordinary Canadians. I will show you how the Government has been able to get away with it, but, sir, the chickens do come home to roost.

I was interested to hear the Minister point out in his speech that the planners have indicated to him that this program will "help" farmers across this country. Well, sir, that is a typical response of this Government along with a bureaucracy which no longer responds. It is like those great lies which are heard across the country. One is: "I am sorry, sir, the cheque is in the mail". Well, we all know it is not in the mail at all. The second one is: "I am here from Ottawa and I am really here to 'help' you". Is that not what we hear so often when the bureaucracy moves in? "We are hear to help you". We have a Government program which is going to "help". That is what was said, sir. The real problem in this country is Government policies, and indeed Government itself.

How did this problem in agriculture arise? Indeed, how did we get into this problem in manufacturing as well? It is the result of the Government deficit. You simply cannot get around the fact that the \$140 billion national debt, with the annual deficit going up by over \$20 billion, is the direct cause of our having to pass this bill to try and help a few farmers over a crisis. There is support in other areas, such as these silly little job creation programs to try and keep young people employed, to try and make them feel important when they know that some of the jobs created are just nonsense. They do not get a sense of value or creativity, or feel they are contributing to the country at all. If the Government thinks it is fooling

people with these short-term, make-work projects, it has another think coming.

The interest on the national debt alone, Mr. Speaker, is taking over 30 per cent of the tax revenues which people are pouring in to this central government today. If we did not owe that money, we would not have \$18 billion going to service the debt.

As I have said to you before, Mr. Speaker, you know better than anyone else that the interest on the debt is being concentrated in the hands of people who already have wealth. If you had \$1 million last year, you certainly would not put it into a productive enterprise, you would lend it to your socialist Liberal Government for a 19.5 per cent return. If you put it into industry, you are bound to lose it. But if you lend it to your own Government you can get 19.5 per cent. Then, because that gives you such an enormous cash flow, you can take advantage of all the tax loopholes and incentives to reduce taxes. So what we are doing in this country by paying interest on the national debt is to create an incredibly wealthy upper class, with the result that we are also destroying our middle class. When a nation destroys its middle class, that great buffer against extremism in ideas and intolerance, then that nation will have much more intolerance, as we have in this society, and indeed I am sure we will have violence.

We need only think back to 1968 when we basically had balanced budgets in this country, Mr. Speaker. We had an extremely small national debt and we had all of the social programs. We had a tremendous health insurance program and a tremendous Canada Pension Plan. We had post-secondary education and Medicare because we had designed those Programs to redistribute wealth which we had first produced. We could have gone on under that system and continued to be the number one country in the entire world. Indeed, by now we should be calling the shots in the world, since we are less than one half of 1 per cent of the world's population yet are sitting on the resources of half a continent. We should not be out in the world capital markets on our knees borrowing money in competition with the Third World countries who need that capital. We are driving up interest rates by doing that. In fact, we are injuring Third World countries. We as a people should not be out in the world market competing for oil, because if we were not, it would mean more oil is available for the poor Third World countries and the price would drop. We should be self-sufficient, yet we are out there competing with them just like some sort of third rate under-developed country.

Well, Mr. Speaker, how did these deficits come about? An example is the area of agriculture where a Government decided by conscious and deliberate policy to have cheap food. I will speak more about that later, but this meant in effect that we were telling our people to buy food from other countries rather than go out and produce it ourselves. We have 24 million acres of land along the northern band of our presently cultivated acreage which could be developed. Surely that is the solution.

Approximately seven million Canadians were born between the years 1951 and 1966. That was the real baby boom. We have known for a long time that they have been coming, and