

*Parity Prices*

**Mr. Elzinga:** It is a good step, but it does not go far enough. Our Party proposes to go further. I would like to outline a number of steps which we will implement after the next general election.

As the Hon. Member for Yorkton-Melville did, I would like to commend those individuals who are involved with the farm survival groups. I had the opportunity to read *Farm Gate Defense*. It outlined in a very moving way the difficulties which those in the agricultural sector face. I recall, as the Hon. Member indicated, under the Government of the Right Hon. John Diefenbaker, the work which was done by the Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton) in trying to establish parity pricing for agricultural products. It was not easy then, and it will not be easy now.

When we look at the income declines within the farming sector, we find that in 1983 the realized net income—a reflection of what the farmer has in his pocket—was down 4 per cent from 1982 levels and down 11 per cent from 1981 levels. If we look at total net farm income—realized net income plus or minus inventory changes—that was down 24 per cent from 1982 levels and down 39 per cent from 1981 levels. My Party has a broad outline on economic recovery for the agricultural sector. We will not simply oppose everything which comes forward, as does the New Democratic Party. One only has to look back to the Crow debate. At that time we indicated that changes were needed in the Crow legislation. It is heartbreaking to see the attitude of our Liberal friends opposite as it relates to the agricultural sector. They are the direct cause of the economic hardship that this sector has faced over the last number of years.

Rather than taking a great deal of time to criticize, I will indicate in a very forthright manner the position which the Conservative Party is taking. We will provide up to \$100 million to assist producers with their existing high interest rate loans. We will establish an agri-bond to provide loans at reduced rates. Tax exemptions will be provided to encourage individuals to invest in this program. As well, we will establish a farm finance review board which will serve as a negotiator and a referee in helping producers to re-organize their debt repayments. We will immediately introduce legislation to double the maximum cash advance level for individual farmers from \$15,000 to \$30,000. In addition, we will reduce the input cost as it relates to the agricultural sector. We will reduce farm fuel costs. The current excise tax rebate on farm fuels is bureaucratic and inadequate. Fuel costs are a major component in the production of food. As our leader has said consistently in this House, we will eliminate the 9 per cent federal sales tax on farm fuel. That reduction will result in a saving in the vicinity of 20 cents on a gallon of diesel fuel. We have given a commitment as well to the farming sector to abolish the capital gains tax as it relates to agricultural land. That is a commitment which this Party will live up to. We have indicated we will develop a voluntary national income stabilization program for the red meat sector. We have three caucus members working very hard at the establishment of that program.

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Just as important, even though it might not have any direct economic impact, we have indicated that in the event the Canadian people do place their faith in us—and I am confident they will—we will immediately allow dual labelling of agricultural chemicals and fertilizers, whereas the present Minister of Agriculture (Mr. Whelan) indicated to the Hon. Member for Vegreville (Mr. Mazankowski) just a few days ago in the House that he was not open to that type of suggestion.

Our Party is also aware that tariff protection is required for our beef sector. We are going to be more responsive with our stabilization programs by advocating an increase to 95 per cent of the pay-out. What farmers need, Mr. Speaker, is lower input costs and better prices for their commodities. We are committed to that. We are committed to the specific programs I have just outlined to the House of Commons. We have called for an increase in the initial price of grain.

In closing, Mr. Speaker, I want to indicate again that the Hon. Member for Yorkton-Melville indicated he came from an agricultural background, as do I. We know that agriculture is the heartbeat of this country. If we neglect the agricultural sector, every sector in this country is hurt. It is heartbreaking to see the low priority which this Liberal administration has given on a consistent basis to this very important sector, the prime sector in our Canadian way of life. I just want to offer the reassurance to Canadians that this is going to be a prime area for our Party once we are the government. We are committed to an economic resurgence in the agricultural sector and we are committed to giving it the high priority which it deserves and needs so that we can all prosper together.

[*Translation*]

**Mr. André Bachand (Parliamentary Secretary to Minister of Agriculture):** Mr. Speaker, Bill C-232 which is now before the House may contain certain elements that are worthy of consideration, but after a careful study of those proposals and considering the current situation in Canada's agricultural industry, there are many proposals we cannot support. We feel they would be very difficult to implement and would not be desirable for Canadian agriculture at this time.

Mr. Speaker, perhaps I may explain our reservations in this respect. The Canadian grain industry owes a major part of its success to its flexibility. It has kept pace with consumer demand by carefully watching variations in the selling prices for its products.

A system like the one proposed here might have a number of negative effects on the industry. By artificially maintaining prices between 90 and 110 per cent of production costs, we would not be encouraging producers to diversify production to meet demand.

The federal Government, more specifically the Canadian Wheat Board, has been successful in assisting producers while