

that actually went through. However, the government has done nothing with respect to small business.

I was in my own riding yesterday talking with businessmen. Business people are concerned. They say they would like to have lower interest rates.

Mr. Bjornson: And higher inflation!

Mr. Laporte: They would like to have lower interest rates for inventory, for example, or for capital expansion. If they could increase their inventory, then people would stay in those communities instead of driving to a bigger centre.

Mr. Bjornson: Ask the businessman who paid 20 per cent back in 1982 what he thinks of this.

Mr. Laporte: These interest rates are killing small business and the government has done nothing, despite a motion passed by this very House. That was a direction from Parliament for government to act. It has done nothing.

The other item they have been blessed with by this government is the goods and services tax. I wish to quote the Canadian Federation of Independent Business, a quote which I think is very appropriate. It talks about the GST and its effects. As reported in *The Financial Post* of May 14, 1990, it states:

Our view is that the timing of the GST could not be worse. A lot of analysts tend to treat the GST as if it fulfills the criteria of a theoretically well-constructed, broad-based visible and equitable consumption tax. The truth is, that the GST fulfills none of the above.

Clearly, the implementation of this tax will be horrific, and the bulk of the responsibility falls on us. And if you look at nuts and bolts of the GST, it is too complex from a small business point of view. The government has said it will streamline the accounting process, but if they had a simple tax, we wouldn't need streamlined accounting.

If they did not have the GST, they would not need the streamlined accounting.

Mr. Bjornson: All businesses need accounting.

Mr. Laporte: Business is concerned about implementing the GST. It is one more load that they have to bear, one more expense that small business has to carry and which the government has blessed small business in the country with. Small business in rural Canada simply cannot afford it.

Of course, the other option is to leave the land. Producers cannot even leave the land. They are tied to it

Supply

because of the policies of this government. According to the Farm Credit Corporation, the prices of farm land between 1984 and 1988 dropped almost 40 per cent in Saskatchewan, 29 per cent in Alberta, some 25 per cent in Manitoba, and 30 per cent in all of Canada. Therefore, farmers have a huge debt load, their equity does not meet their debt, and they are stuck in this position, not knowing where to turn.

This spring has really topped things off. There have been three or four years of bad weather and drought in western Canada. This year looks like there may be some good moisture for a change. If things stay as they are, this year we are going to have a decent crop. Yet we have producers unable to put seed in the ground because they cannot get a loan.

This government recognized that by making an announcement that it was putting up \$500 million. It said that it knew farmers needed this money, but it was not going to give it to them. The government is holding out a carrot and saying: "We know you need this, but you try and grab it". The government has recognized that, at the very least, it is only half of what the producers need this year. But instead it is playing political games with the provinces and other Tory governments in the west. The loser is the producer. The producer is the one who suffers the loss in this whole thing. It is a sad commentary on this government's lack of compassion. It does not have a caring attitude toward's rural Canada.

The money is needed now. In fact, it was needed last week. There is a desperate need for those funds, but they will only help in the short term. The money that was needed last week is simply the beginning. It is a short-term measure that the government has proposed for only this spring. It has to bring forward a long-range program. Since 1985, it has been saying that it is going to be putting in a federal agricultural policy. It still has not done it yet. It has all kinds of studies, reports and green papers, but there is still nothing for producers.

We in the federal New Democratic Party have an alternative. We have had it for some time now. We have suggested to the government, and do so again right now, that the government should make an honest commitment to save farming families and rural Canada. That is what the commitment should be. It should not be to agri-business, but to the farming family, to the small community, to the small business people in those com-