

Farm Income

[Text]

COPY OF CORRESPONDENCE ON FUTURE PARK POLICIES
BETWEEN GOVERNMENT AND PROVINCE OF NEWFOUNDLAND

Motion No. 61—Mr. Marshall:

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence, minutes of meetings, letters, telegrams and all other pertinent material, between the government and the Province of Newfoundland, having to do with the formulation of a master plan by which future park policies would be determined and having to do particularly with the Gros Morne National Park in the Contiguency of Humber-St. George's-St. Barbe.

[Translation]

Motion agreed to.

Mr. Pinard: I ask, Mr. Speaker, that the remaining notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Does the House agree?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—DECLINE IN FARM INCOME

Mr. John Wise (Elgin) moved:

—That this House regrets the continuing decline in farm income and urges the government to:

- (1) extend the deferral of capital gains taxation now levied on family farms to include partnerships and incorporated farms;
- (2) promote agricultural exports and reduce Canada's present reliance on imported agricultural products;
- (3) develop marketing programs that will encourage long-term income stability;
- (4) encourage the expansion and improvement of agricultural research to ensure efficient production techniques;
- (5) provide direct food aid and human and financial assistance to Third World countries.

Mr. Speaker: Hon. members will note that pursuant to Standing Order 32(1)(k) and Standing Order 58(10), proceedings upon this motion will expire at the ordinary hour of adjournment this afternoon.

Mr. Wise: Mr. Speaker, the reason and the purpose of this motion today is another attempt by my colleagues and I to draw to the attention of the government its continuing failure to deal effectively with the serious problems of the agricultural industry in general, and more particularly, to deal with the problem of the continuing decline in farm incomes.

Primary producers will recognize, but the House should be reminded, that the last time the plight of the agricultural industry was debated in the House, it was on the initiative of hon. members of the official opposition. The complete absence

[Mr. Speaker.]

of any government legislation, not only now but for the last number of months, contrasted with our past and present actions, clearly discloses this government's indifference or complete incompetence regarding agricultural problems. As well it reflects our deep concern, and underlines our continuing commitment to the growth and development of a very basic and vital sector of our economy.

Prior to 1976 Canadians could observe, compare and state with considerable accuracy that other countries which had failed or neglected to maintain or develop a strong and viable agricultural industry were countries which found themselves in serious difficulties, both socially and economically. Today, and partially because of what has happened in the primary sector of the industry, and indeed throughout the entire food chain, we need not look beyond our own borders to find a country suffering both socially and economically.

It is obvious that the government would like us to forget the one million unemployed, the shaky state of our economy and the decline in farm income. Particularly the Minister of Agriculture (Mr. Whelan) would like us to forget that decline. It is incumbent upon us, as members of the opposition, to raise these questions. However, it is incumbent upon the government, a government which has held office for 36 of the last 40 years, to do something about them.

Their record of performance evidenced by their own statistics reflects an unacceptable and shameful performance. Farm income has dropped for the second consecutive year. If present indicators hold true, we can expect a further drop in income levels again this year.

● (1512)

When we compare the 1975 income level with that of 1976, the decline is \$500 million. When we compare the income level from 1975 to 1977, a two year period, the decline is \$1 billion, and citing the forecasts for 1978 we can expect a further decline of \$1.5 billion in the three year period. Over that same period of time, expressed in percentage terms the decline is in excess of 40 per cent. That places Canadian farmers in the same position, as far as income levels are concerned, as they were in six years ago in 1972.

To make matters worse, if we look at what has happened to our input costs, or our expenses, we see increases almost as dramatic as the declines in farm income. Input costs increased by \$500,000 between 1976 and 1977. If we compare the estimated increases for the current year with 1976 we might well experience a figure in the neighbourhood of \$1 billion. Is it any wonder or mystery that negative profit margins are becoming common place on income tax forms submitted to the income tax department of this government by Canadian farmers?

These conditions have been reflected in the sale of farm machinery. Sales in this area have decreased by 10 per cent on a national basis. In fact, in the provinces of Saskatchewan and Manitoba declines in the sales of farm machinery to the extent of 24 per cent and 19 per cent respectively are reported. Farm borrowing has doubled over the last six years from \$4 billion to