

helping out Canadian agriculture. The beef industry in this country is presently facing a very serious problem. This is true of the whole red meat industry. Every province that is producing beef in significant numbers has a provincial stabilization program with the exception of my province, Manitoba.

The other day the minister said he had offered the industry a 100 per cent stabilization program in 1977. He said it as though, once having been offered and turned down, it would never be offered again. If the minister wants to exercise his responsibility to Canadian agriculture from coast to coast, he has the responsibility to set up and co-ordinate a nationally uniform beef stabilization program. The longer he sits and dawdles, the tougher it is on the industry.

The minister appeared before the Standing Committee on Agriculture prior to Christmas. At that time he suggested he had a plan in his back pocket. We suggested it might be appropriate to have a meeting of the committee with him in camera to talk about what he had in his back pocket.

In the meantime, the minister sent out a survey across the country. That is an interesting story in itself. I sent a copy of the survey to a professional pollster and asked what he thought of it. I will send the minister a copy of it. In essence, the professional people said the survey was a sham, that it was set up in such a way as to get the answers the minister was looking for. I point out to the minister that the longer he waits, the tougher it is on the industry. If we wait long enough we will destroy our domestic beef industry to the extent that we will be lucky if we have enough beef for ourselves. In that event, Canagrex will not have enough beef to export to worry about. There is an urgent need for action on a national scale for which the minister has direct responsibility, if in fact we will be able to make use of Canagrex. If we drive our Canadian farmers out of business and have a hard time feeding ourselves, whether or not we have an operation set up to encourage exports becomes foolish because we will not have any product to export.

● (1600)

I am very disturbed that the minister has accused farm leaders in this country of being gutless and not wanting to do anything. If anyone has been gutless in showing leadership, it must be that same minister who makes that sort of allegation. I will go further and call him absolutely useless. Since he has taken office we have seen a great agricultural industry decimated. I see that the minister is leaving the chamber.

**Mr. Whelan:** I will be back.

**Mr. Mayer:** When one starts talking about some of the things he has done, he cannot stand the heat and has to leave. If I had been minister for ten years and accomplished as little as he has for Canadian agriculture, I would probably leave the chamber too.

The minister also indicated that he would like to have a national beef marketing board which would have supply management powers. This seems to be a ludicrous statement to make when we know that he would not be able to have this type of program approved by cabinet. It would involve very

### *Canagrex Act*

large expenditures and we know that the minister cannot even get enough support, from wherever it comes, to establish a national stabilization program in Canada. I therefore fail to see how he could establish a national beef marketing board with supply management powers which would involve a vast amount of money from the government. If he cannot get support for a national stabilization scheme, there is less chance of support for a marketing board.

I turn now to some of the provisions in the budget and how they will affect farm production at home and our ability to be competitive and export abroad. The budget will now only provide the Small Business Development Bond to farmers and small-business men in financial stress. We welcome the provision in the budget to make small business loans available to unincorporated businesses, including farmers, but it is only available to people in financial stress. People I have talked to say that the banks find it very difficult to make loans to people in financial difficulty because the banks do not like to lend money to people who will have a hard time staying in business. The banks prefer to lend to people who have the possibility of staying in business.

Another effect the budget had on farmers was to halve the capital cost allowance, or depreciation allowance, in the first year. If hon. members opposite had been back to their farming constituencies during the Christmas recess they would know that farm machinery sales have taken a turn for the worse. I see the Parliamentary Secretary to the Minister of Agriculture (Mr. Ostiguy) in the House and I know he is a farm equipment dealer. He will bear me out on the fact that the capital cost allowance for farm machinery had a devastating effect on farm sales. Farmers who want to buy a tractor or combine in the fall, which is the busy time of the year when combines are used, now cannot deduct the total year of depreciation. That will hurt the way farmers plan and maintain equipment, thus affecting farm machinery dealers which in turn will affect companies like Massey-Ferguson, who the government helped to stay in business. Some of the measures in this budget do not make a lot of sense.

Another major area of concern is the manner in which farmers will be treated when they sell land. This is true particularly for Saskatchewan because there is more farm land there than in any other province. However, it applies equally to any province where there is farm land for sale. The farmer cannot afford to sell his land because immediately upon completion of an agreement for sale, whether they receive all the proceeds from that sale or not, they are taxed on the total amount. Many farmers cannot now afford to sell out and will wait until they die, when the farm must be disposed of and tax paid to the government. As a result it will be very hard for young farmers to get started in the farming industry.

This will have serious implications for all Canadians. We know that the family farm has been a unit which has provided the sort of products which enable this country to have easy access to food. We know there always is milk available—nobody has gone to a store to find there is no milk or bread—and it is always plentiful. There may be some people who have