

### *Supply*

strengthen the economic position of Canadian producers with a cash injection, with or without provincial participation.

He said: Mr. Speaker, rural Canada today is in a severe state of crisis, a crisis that has been developing for some time now. It is something that we in western Canada are extremely concerned about.

In western Canada, family farms are disappearing. Small businesses in rural communities are closing up. In fact, whole communities are disappearing.

To outline its seriousness, I would like to highlight Saskatchewan as an example and put forth a few facts. Every year approximately 1,000 farm families leave the land in Saskatchewan alone. There are approximately 60,000 farms, so every year we are losing 1,000 out of the 60,000 that presently exist.

Over the last three years, the annual number of business bankruptcies has increased more rapidly in Saskatchewan than in any other Canadian province, and other western provinces are not far behind. Today, over 16 per cent of Saskatchewan families live below the poverty-line and over 64,000 Saskatchewan children are growing up in poverty. That is the reality. That is what is happening.

Since 1985, more than 60,000 people have left Saskatchewan. That is a net loss in a province that now has a population of less than one million. Of the communities, 70 per cent have had a population decline since 1986. These are staggering figures. These are shocking figures. These are represented throughout the prairies in western Canada.

As the fishery is to the Maritimes, agriculture is the economic base for the prairie provinces. Commodity prices are down. In fact, they are at 80 per cent of what farmers were receiving back in 1981. One of the main reasons for this is the trade war that is going on between the Americans and the Europeans which is having a devastating effect on Canadians. At least the Europeans have a goal of maintaining their family farms. In fact, that is their underlying objective. Unlike the Americans, they have said that their underlying goal is to maintain family farms in Europe.

There was a recent announcement by the president that the Export Enhancement Program was going to be increased by several hundred million dollars. What has been the government's response to all this? It has been

very disappointing. In fact, it has been embarrassingly disappointing.

• (1510)

Under the Export Enhancement Program, Section 701.4 of the free trade agreement allows the government to file a complaint pursuant to that act when the United States is dealing with a third party that affects our traditional trading districts. Certainly, the have with respect to grain and the Export Enhancement Program. Russia is one of the key examples. The government is subsidizing grain sales to it and that has affected our sales to that nation.

The removal of oats from the Canadian Wheat Board has simply removed one more tool and one more marketing ability for that institution that is in place for farmers.

Producers have suffered high input costs. Statistics Canada has stated that costs for fertilizer, chemicals, and fuel are up approximately one-and-a-half times since 1980. That is why farm income has dropped by some 20 per cent.

Interest rates are volatile. What has been the government's response to interest rates? The Farm Credit Corporation, the farmer's bank, in 1990 alone has increased its rates four times. In fact, to get a shared-risk mortgage, a farmer has to pay 14.78 per cent interest. That is some sharing of the risk. It is a risk that is shared almost entirely by the producer.

As farmers suffer and as farms disappear, rural communities suffer. Businesses in rural communities have no money. They are suffering through high interest rates. In fact, there is a loss of businesses through low inventory and businesses unable to maintain their level of inventory. It is a problem that perpetuates itself. When a farmer goes into a business to buy some goods, if those goods are not available, he will go to a larger centre. When he is in that larger centre, he, she, or the family often buy other goods they require. Therefore, when one business suffers, the whole community suffers. It is an ongoing effect that is multiplying and eating away at the whole heart of rural Canada.

As far as small business in rural communities is concerned, the government's response has been very disappointing as well. Last year, the New Democratic Party introduced a motion for the Federal Business Development Bank to aid small business. It was passed through the House, one of the few opposition motions