

Government Orders

On March 1, when the Minister of Agriculture was in Regina, he said in a speech that the budget's \$1.3 billion would be used to help off-set the WGSA deficit, introduce GRIP and provide transitional funding to get into the new safety nets. That word "transitional" is important because that is what we need now.

I hope the minister will rise in his place before this debate is over and announce that transitional funding as part of a spring seeding program. Decisions on the farm are being made now, and the minister knows this.

The minister's Regina speech also talked about new partnerships, dialogue and compromise. I want the minister to know that I agree with dialogue and compromise, but I want to see a little of that from his side of the House.

Farmers and their representatives in this House have identified many problems with GRIP and NISA, and they have suggested many changes. The government would be well advised to show a bit of that spirit of compromise and improve this legislation before us in line with what has been suggested by my colleagues in this House.

There are real problems in the agriculture sector that Bill C-98 does not address, as I have already noted. Is the government aware of many of these problems? Apparently not.

The 1986 farm census conducted by Statistics Canada gave us a very gloomy picture. No doubt the 1991 census will prove even more depressing. That census indicated a dramatic decline in farm population, an increase in the average age of the farm operator and a growing need for farm families to obtain off-farm income to make ends meet.

Some people think government subsidies for farmers are wrong. When we study the issue, we see that nobody subsidizes the farm more than the farmer himself. That 1986 study indicated that 55 per cent of farm family income came from off-farm earnings.

In order to stay on the farm, the farmer had to look off the farm for income. How many other Canadians would keep their jobs if doing so meant that they had to seek other employment just to secure the incomes necessary to pay for their food, shelter and health care needs?

This has meant that there is a growing proportion of farm spouses in the labour force. In 1986, 66 per cent of farm wives were in the labour force and accounted for roughly 25 per cent of the total farm income. We know that that has increased dramatically since then.

This extra income is necessary because during the past seven years expenses have risen sharply, prices have dropped drastically and interest rates on money borrowed to stay in the operation have been sky high.

With a combined farm debt of more than \$22 billion, the average interest payment in 1985 was \$10,800 per farm. It is worse today. That is interest, not principal and interest, just interest. Farmers have all their other costs to make on top of that, after interest. It is no wonder that the banks and the government's financial institutions are foreclosing. It is because the interest payments have made these farms non-viable.

In 1941, there were 733,000 farms registered in Canada. By 1986 there were fewer than 300,000. In the short five-year period, 1981 to 1986, the number of individual farms declined by a whopping 13 per cent. In contrast the number of corporate farms has increased. Therefore, I am not surprised that the new GRIP and NISA programs will allow pay-outs to be made to non-Canadians because more and more of these corporate farms are owned by people who live outside of Canada.

In 1941, 27 per cent of the total Canadian population lived on farms. By 1986, only 4 per cent were farm residents. By far the largest number of the people living on farms is in my province. In 1986, 17 per cent of Saskatchewan residents lived on farms. They want to stay on the farm, but the policies of this government and the Liberal government before it are driving them away.

Is it any wonder that the majority of Saskatchewan residents voted against these two parties in 1988 when the financial crisis was beginning to hit them hard.

When the Minister of Agriculture was in Regina on March 1, he also said that GRIP and NISA were designed to bring stability, predictability and security to the agriculture sector. Only two of these are correct. GRIP will certainly stabilize the price of grain, but likely at too low a level to make a difference. We can certainly predict what the program will do to farm gate prices over the long term, but there is no security in this.