

Adjournment Debate

assistance measures. At that time many farmers were starting to deal with the impact of the high interest rates of the early 1990s which had risen to unprecedented levels. At the peak in August 1981, the prime rate reached 22.75 per cent.

In the face of high interest rates, those farmers who were highly leveraged found themselves unable to meet their debt obligations. These high interest rates were followed by declining market returns, especially for grains and oilseeds where an international price war intensified the existing market difficulties. Widespread droughts in the mid to late 1980s created additional financial problems for many farmers, not only in the west but right across Canada. They all had to face that problem.

Recognizing the serious financial difficulties facing farmers, this government took action. We established the Special Canadian Grains Program and the Canadian Crop Drought Assistance Program that I know that many farmers appreciated that this government was there to respond to their needs.

Farm debt review boards were set up across the country to help farmers reach arrangements with their creditors. Three hundred and sixty million dollars was also made available to enable the Farm Credit Corporation to enter into arrangements with farmers in the same way as other creditors. From the beginning of the program to the end of December, the farm debt review boards have completed 8,253 cases and in 6,356 of those cases, arrangements have been identified between farmers and creditors, a 77 per cent success rate.

The hon. member suggested that 8,000 farmers in Saskatchewan are facing foreclosure. In fact, the estimate is closer to 7,700 farmers, based on accounts in arrears to major lenders. A year ago it was estimated that there were 8,200 and the trend is therefore positive and is declining.

But one must remember too that most of the loans that are in arrears do not always result in foreclosure. Often the loan is only in arrears due to a short-term cash flow problem and is brought up to date once the funds are available. In the serious cases, farmers can turn to farm debt review boards and very often financial restructuring

can help farmers service their debts. The success of this program has already been noted.

In the short term, the federal and provincial governments will be monitoring the farm income situation carefully. We have set up a federal-provincial committee to provide essential information vis-à-vis income difficulties prior to the development of a long-term safety net program.

The government recognizes that there are cases where restructuring of debt and arrangement are not possible. In those cases, and when the family so desires, there is assistance available to help with adjustment out of the industry.

This is not an easy time for many farmers, their families and their communities, and there is no quick-fix solution. But we are on the right track with the income adjustment assistance which we have provided and we will provide in the future if conditions warrant.

At the conclusion of the Agri-food Policy Conference in Ottawa this past December, it was announced that we were establishing an industry-government task force on farm finance. This task force will examine a number of farm finance issues including the particular needs of beginning farmers. It will report to the meeting of the federal-provincial agriculture ministers in August of this year. Based on the recommendations of the task force, the federal government, in co-operation with the provinces, will be in a position to take whatever action is most appropriate for the industry.

[*Translation*]

• (1720)

SOLICITOR GENERAL

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, when I rose in the House on October 3 last year, I asked the Minister of National Health and Welfare (Mr. Beatty) when Child Find would be advised whether or not it would get the funds it needed to continue to exist. Since that date, I have been informed that the organization received \$15,000 to help write a book on missing children. This miserly gesture on the part of the federal government is a clear indication that the minister and his colleagues do not seem to care about dealing with the problem of missing children in Canada.