

Government Orders

An Ontario dairy farmer said reducing government regulation is not the answer.

A Prince Edward Island delegate warned that low prices and a lack of government action will send many family farms into the grasp of multinational, vertically-integrated food companies.

A southern Saskatchewan nurse said farmers are turning to alcohol, drugs and suicide because of poor conditions and a lack of government support.

I could go on, but let me deal with what some of the Conservative policies have been and what they have done.

Mr. McKnight: Did you run out of *Hansard*, Jim?

Mr. Fulton: The members across the way are trying to get me going. They may live to regret it. This is the party over there that has been abandoning branch lines. What does that mean to farmers across western Canada and farmers in other areas of the country? What about the closing of elevators? The government members probably do not know that if you take all of the rail cars capable of handling grain and you take all of the elevators, including Prince Rupert, Churchill, and the Lakehead, that can only handle a small fraction, not even 40 per cent, of the grain coming off the prairies.

What they are suggesting with this amendment is that that grain kept on the farm should be encouraged to be pushed out on to the market as soon as possible because the farmers are the ones who are going to be left carrying the interest rate as it builds higher and higher and higher through the winter.

Government members are always wanting to talk about a level playing field, if they are talking to their American friends. We know where the pressure came from for this amendment. It came from Washington. This is not being suggested by producers nor is it being suggested by anyone across the prairies.

This will destroy orderly marketing. It does not give farmers in different areas in the country the same opportunity because they do not have the same access. They do not have the same branch lines. They do not have the same access to elevators. It undermines the Wheat Board, it undermines the quota on grain deliveries, and it undermines the pooling concept of pricing.

What other things have been happening on the prairies? We have seen the continued movement—first under the Liberals but now at an accelerating rate under

the Conservatives—of young people and long-time families off the farms in every single province in the country. We have seen the closing of schools, we have seen the collapse of much of the rural infrastructure that has made farming communities the vital driving force of this country, unlike most countries around the world. There is a real need for orderly marketing over as long a period as possible in order for farmers to get the best possible rate of return and also for this country to get the best rate of return in terms of balance of trade. This government is proposing to change the rules of the game once farmers have made certain calculations affecting this year and next year's operations.

Let us take a look at what precisely is being proposed here. These two programs provided producers of storable crops with interest-free government guaranteed loans at harvest time, based on a portion of the value of the crop up to \$30,000 maximum, \$60,000, and \$90,000 in some circumstances, depending on partnerships and so on.

• (1730)

The producer was in effect able to sell part of his or her crop to pay bills even though the commodity stayed in his own bins or another storage facility. The loan was repaid as the crop was sold.

This Bill C-36, which replaces an earlier amending bill known as C-32, which the government withdrew in order to be enhanced, will make these loans interest bearing. The new maximum an individual producer can borrow is up to \$250,000 and there is an interest guarantee in the event of loan default.

The Advanced Payments for Crops Act was initiated in 1977 and is essentially the eastern equivalent of its sister Prairie Grain Advance Payments Act. The APCA ensured the producers marketed their crops when prices were most favourable. Individual commodity groups and marketing boards administered the act on behalf of Agriculture Canada.

There is intense opposition to the cancellation of the interest free loan provision. The Ontario Corn Producers Association, the OCPA and the Ontario Soy Bean Growers Marketing Board, the OSGMB, prepared briefs outlining their reasons for opposing the changes, proposals that have not been dealt with by anyone on the government side.