

Supply

• (1020)

Communities do their best to try to ignore the crisis and to make things as normal as possible. We all try to make things seem as normal as possible. It is less stressful for children. It is less stressful for spouses. It is less stressful for the community. Yet this hidden stress does break out.

I usually attend some of the meetings of the municipal councils during the course of a year. I recall being in one municipality in an area where the farm productivity is very high and everyone is considered to be doing quite well. I asked the councillors how the farm foreclosure situation was in their municipality. They said: "Oh, we do not have any of that here". Then the municipal secretary spoke up and said: "Actually there were almost 400 quarter sections transferred from farmers to lending institutions in this municipality last year. That is where all of the tax revenue came in last year. The only way the title could be transferred was to have the taxes paid".

Some municipalities are finding themselves in the strange position of having more cash to deal with than they have had for some time because of the transfer of land and of titles. Some have found themselves with an embarrassing surplus of cash from land being taken back and from back taxes having to be paid to the point where they have bought new graders and snow ploughs with the surplus funds that have accumulated from taxes that had not been paid the last three to five years.

The crisis is there. It is visible if you look, even though people are trying to hide it. It is there in the statistics. During the last decade farm incomes in Europe fell by 16.5 per cent. American farm incomes rose 23 per cent and Canadian farm incomes dropped 51.4 per cent.

The Americans have come in with a very aggressive trade policy on grain pricing which has been good for their farmers. Their net income has risen over the decade by 23 per cent. It has affected the Europeans which apparently were the targets of U.S. actions by showing a loss of 16.5 per cent in net farming income. However, it has devastated Canadian farmers whose net incomes have dropped by 51.4 per cent.

We can see the effect of the trade war. Let us look at the first full year of the GRIP program which has just been completed. The 1991 GRIP was finished in 1992. After all the results came in, and farmers looked at their

net income, they rallied for the first time in the biggest numbers in two decades.

The pain is there. Action has to be taken. We call on the new Minister of Agriculture to hold meetings with his provincial counterparts to address the problem of the third line of defence. It is obvious from the statistics and from the social indicators which I have spoken of in my earlier remarks that the first two lines of defence have not been adequate. Something will have to be done. If we are going to catch up, payment and aid in the range of \$1 billion are needed.

Part of our problem is that the government ignored the needs of farm income in 1990. It was talking about aid that had been given in 1989 through much of 1990. It talked about aid that was going to be coming under the GRIP and NISA programs instead of giving aid. Since then, that debt has been carried forward each of the years.

It is accumulating interest even though the interest rate is down a little and it is still leaving a wide swath of devastation in its wake. Clear attention to the third line of defence has to be given at this time. That is part of what this motion is proposing to do.

I will now leave other members of my caucus to deal with other aspects of agriculture.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, as someone who spent 18 years on a family farm in the very region the hon. member for Mackenzie is representing now, I know exactly of what he speaks.

I would like to ask him why there is such a difference in incomes between United States farmers and Canadian farmers. He told us that in the last decade the American farmers' income went up by 23 per cent whereas the Canadian farmers' income went down by 51.4 per cent. That is quite a discrepancy, over 70 per cent. Knowing farming on both sides of the border, I always assumed that our farmers were just as efficient, if not even more so, than the U.S. farmers.

The other question he might want to address is this. He did tell the House that the farmers in Saskatchewan will require about \$1 billion in assistance to get this year's crop in and to make ends meet between crop years. I wonder if he has any idea where the government could get that additional \$1 billion.