

*The Budget—Mr. Ferguson*

ance in more detail, no means test will be associated with it.

**Mr. Lewycky:** Mr. Speaker, the Parliamentary Secretary talked about recovery and dwelt on the situation of farmers. The only problem I find with his presentation was that he dealt strictly with retiring farmers—it is almost pie in the sky by and by. What about those farmers who need a few crumbs on the table immediately?

The Parliamentary Secretary is aware that the Speech from the Throne promised changes to the Western Grain Stabilization Plan, but there was nothing in the Budget to indicate funds will be available to assist farmers in this area. There is nothing about energy costs either. The Hon. Member spoke about the energy program. I know he is a farmer and has been involved with agriculture in all regions of Canada. Is he aware that among the small farmers, especially in western Canada, energy has become the number one cost? If he has farmers coming into his constituency office, as I do, their books will show that in 1981 and 1982 interest was the number one cost. Would he not agree that today energy costs are the problem that farmers are facing? There was nothing in the Budget about that.

The excise tax rebate of 1.5 cents per litre is not adequate. I am sure the Hon. Member is aware that today more and more farmers are using diesel fuel instead of gasoline and they need some kind of help. Would he not agree that the Budget should contain measures that will assist farmers immediately, not just when they retire? Pie in the sky by and by is not going to help those who are on the verge of bankruptcy at the moment. I am sure the Hon. Member has been in his riding during the past week.

**The Acting Speaker (Mr. Herbert):** Order, please. There is a certain repetition in the Hon. Member's question. The Hon. Parliamentary Secretary to the Minister of Finance (Mr. Ferguson).

**Mr. Ferguson:** Mr. Speaker, I am delighted to respond to the question. I should draw to the attention of the Hon. Member that one of the reasons there was nothing in the Budget about this was that as of February 1, 1984 the tax on natural gas and natural gas liquids was removed. Of course, the Hon. Member realizes that natural gas is the base for the manufacture of anhydrous ammonia. The federal Government feels that it has gone as far as it can in that context.

The costs associated with the production of natural gas will not be the same in Ontario as in Manitoba, I am sure, but on the equivalent of 1,000 cubic feet or one million British thermal units, about 22 per cent of the cost of natural gas goes to the producing provinces—that may vary from region to region. In Ontario there is a \$1.01 transportation charge and one 15-cent ownership charge goes to the federal Government. The utility company that sells the gas makes a profit of over \$2 per 1,000 cubic feet. There is not much that the federal Government can do about these costs.

I should like to draw to the attention of the Hon. Member that the Farm Credit Corporation has provided a tremendous amount of funding for farmers over the last three years. The funding has gone from roughly \$500 million in 1981 to \$635 million in 1982. In the 1983 fiscal year we expect the fund will be well over \$700 million, and perhaps as high as \$730 million. We have put a tremendous amount of effort into this. I would also ask that farmers look at the legislation available to them so that they can make an income that will give them a return on their investment commensurate with that in the rest of society.

**Mr. Fisher:** Mr. Speaker, I do not have a question, I have a comment. I should like to take a minute to wish my successor in this job of Parliamentary Secretary to the Minister of Finance all the best. I know him from other work in the House. I know he has a tough job, but he has a lot of ability and he has a very good boss. I am sure he will be successful.

I should also like to take the opportunity to extend my thanks to representatives of the other Parties whom I have found to be very co-operative during the past two years.

**Mr. McKinnon:** Mr. Speaker, I have a supplementary question for the Parliamentary Secretary to the Minister of Finance. In his closing remarks to me a few moments ago he said that he thought a staggering amount was paid out in his constituency to old age pensioners. I doubt very much if that opinion is shared by the old age pensioners.

In his closing remark he also said that the war veterans' allowance top-up would be paid without a means test. He either does not know what he is talking about or he has just announced a radical change in government policy over the years. If that is so, would he reassure us that he is serious and knows what he is talking about and that we are now going to have the war veterans' allowance without a means test?

**Mr. Ferguson:** Mr. Speaker, I am sorry that my remark was taken out of context. I was referring to the means test referred to by the Hon. Member for St. John's West (Mr. Crosbie). This referred only to old age pensions in the past. It was only old age pensions and has nothing to do with the war veterans' allowance.

**The Acting Speaker (Mr. Herbert):** The period for questions has expired. For debate I recognize the Hon. Member for Carleton-Charlotte (Mr. McCain).

**Mr. Fred McCain (Carleton-Charlotte):** Mr. Speaker, when farmers, fishermen and foresters have to deal with a Minister of Finance from an urban area and a Parliamentary Secretary who has been absorbed in the urban sprawl—I do not mean the Hon. Member for Lambton-Middlesex (Mr. Ferguson)—we find that there is not much understanding of the primary industries in the Government's taxing policies.

In the few minutes that I have I want to dwell on the tax changes which must be made in fairness to those farmers. They do not live on the delta or in the area the Hon. Member for Lambton-Middlesex has referred to with respect to hobby