

*Oral Questions*

• (1430)

**Some hon. members:** Oh, oh.

**Ms. McLaughlin:** Forty-four thousand farm families have left the land for good. What is the minister prepared to do for those farmers who cannot make it on \$7 an acre? They say they are going to go out of business permanently. I ask the minister again: What is he prepared to do now to assist them to survive?

**Hon. Bill McKnight (Minister of Agriculture):** Mr. Speaker, I want to be as kind as I can. I think it is very important at this time that we recognize what has been done.

**An hon. member:** Oh, oh.

**Mr. McKnight:** The member from Toronto, who I am sure thinks agriculture is fine if Safeway is open, should maybe listen. We think it is very important.

The problem is that neither the Government of Canada nor any provincial government has the resources to provide what some farmers have suggested. I would read to the hon. member and to the House a document from the Saskatchewan Pool. It is addressed to my colleague, the Minister of State for Grains and Oilseeds: "The farm aid packaged announced by the federal government today is appreciated and is a significant commitment to resolving problems being experienced by Canadian farmers".

**Some hon. members:** Hear, hear.

**Mr. McKnight:** We know that they could use more. We would like to have been able to provide more.

Canadians believe in their farmers. Canadian taxpayers are going to have to do what the taxpayers in Europe and the taxpayers in the United States have done: assist their farmers in their time of need. I am sure they are prepared to continue doing that.

**Hon. Audrey McLaughlin (Yukon):** Mr. Speaker, I have a supplementary question for the Prime Minister.

The minister indicated this morning that either through increased taxes or reduced programs we were going to have to pay for these programs for farmers. I understand that the government does not want to add to the deficit. That is understandable.

Given that, there are places where the Prime Minister can find money to assist the farmers of this country. I want to ask the him: rather than raise taxes for the middle class, will he close the tax loophole that is for

business lunches and entertainment deductions for corporations? It will raise \$1 billion for the Canadian government to assist farmers.

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, we will be happy to look at any suggestions my hon. friend has when the Minister of Finance returns and introduces a fiscal measure in order to recover the amounts required on behalf of this expenditure on behalf of the farmers. We will be happy to look at any constructive suggestions that she may have, any suggestions from the opposition. I assume there will be a debate on the floor of the House and we will be happy to do that.

My hon. friend points out that there was \$800 million sent out today to Canadian farmers. There is \$2 billion more coming to assist agriculture, but the \$800 million deficiency payment today is I think significant.

It is interesting that in debate the other night NDP Leader Roy Romanow in Saskatchewan said: "What the farmers need is a third line of defence, \$500 million". We provided \$800 million. I hope my hon. friend will be pleased.

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[*Translation*]

## VALUE OF THE DOLLAR

**Mr. Paul Martin (LaSalle—Émard):** Mr. Speaker, in my riding, a Sidbec employee recently lost his job. The president of the company and the president of his union told him that the suicidal level of the dollar had destroyed his future. Mr. Speaker, I would like to put the question I was asked by this employee to the Minister of Finance: If the president of the company, one of the bigger companies in this country, and the president of my union, quite an important union, agree on this point, why won't the Minister of Finance listen?

**Hon. Gilles Loiseleur (President of the Treasury Board and Minister of State (Finance)):** Mr. Speaker, of course the government is very much aware of current levels of unemployment, and it wants to do everything it can to enhance economic recovery. That is why the government must put its fiscal house in order. I think the hon. member will realize that when during the first six months of the year, provincial governments had to borrow \$10 billion outside the country—more than was borrowed last year—this foreign currency was then converted into dollars, thus putting upward pressure on the dollar.