

Government Orders

I think many Liberal members would agree with that. I thank the hon. member for her support. I think it is a good idea.

This budget should be thrown out the window. This government should bring in a budget with a definite time line on balancing it. If it is 1997-98, so be it; if it is 1998-99, so be it, but give Canadians a light at the end of the tunnel. Show Canadians the government is serious about getting the deficit and debt under control. Only then will confidence be returned to this government.

I can assure you that confidence will be returned once again in 1997-98 when the Reform Party of Canada forms the Government of Canada.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, it is my pleasure to participate in this debate on the Bloc amendment with respect to Bill C-76, the budget implementation act.

What we have seen is an effort by the Liberal government opposite to try to get a handle on its budget without considering the effects on the economy in western Canada or the effects on the national economy.

What this budget has done is described in one word in terms of an impact on the province of Saskatchewan and on rural Canada. The day after the budget there was a one word headline in big bold black letters across the front of the *Leader Post*. The word was "devastated". Western Canada and rural Canada have been devastated by two major planks of that budget. I refer specifically to the elimination of the Crow benefit and the abandonment of rail lines in rural Canada.

The present minister of agriculture used to be a parliamentary secretary to Minister of Transport Otto Lang back in the mid-seventies. At that time the Liberal government attempted to commence the dismantling of the Crow rate as it was called then. The minister of agriculture who sits in this government today was defeated in 1979. He was defeated in 1980. He was defeated a number of other times provincially after that involvement with Otto Lang and the Liberal government to dismantle the Crow rate. He was re-elected in the 1993 election and was appointed minister of agriculture. In one fell swoop of a budget not only does he dismantle the Crow benefit but he also eliminates it entirely from the rural Canadian population.

What we see as a result of this very treacherous act on farmers who supported him in the last election is an act of betrayal. The minister of agriculture has stood in this House and betrayed rural Canada with the elimination of the Crow benefit. For the members opposite, as a result of this budget, I predict that not this summer, not this fall, perhaps not even next year, but in the next election which is held in this country no Liberal members will be elected in the province of Saskatchewan.

• (1825)

The budget and the elimination of the Crow benefit will be the major reason for the defeat of the minister of agriculture and all of his Liberal colleagues from Saskatchewan.

What is the argument for abolishing the Crow benefit? If the argument is that the Crow has to be cut to conform with the GATT, farmers do not buy it. The requirements of GATT can be otherwise met. At least that is an argument. If Canada cannot afford the subsidy, at least that is an argument. What is the argument for essentially scrapping this transportation policy and putting nothing in its place? It is not fair.

It is also not fair to reduce dairy subsidies by 30 per cent, but transport subsidies to Saskatchewan grain farmers are cut by 100 per cent. We know Ottawa has a deficit and debt problem, but we must do our bit. This means we should tailor the suit to fit the cloth.

The scrapping of the Crow has left serious questions unanswered. In the short term the issue of who gets the \$1.6 billion payout and how and when it will be distributed must be answered now for the farmers in very clear terms so they can make informed decisions about this year's operations.

More important, Ottawa must look at the long term because these long term costs will be high. The former chairman of the agriculture committee, who is participating in this debate from his seat, is quite upset with the fact that farmers are upset with his government and his party for having eliminated the Crow benefit.

I can assure the member that when the next election is called even the Alberta members in the Liberal Party will be defeated as well and perhaps also those from the Liberal Party in Manitoba.

I want to recognize the impacts to farmers in Saskatchewan of the abolition of the Crow benefit. Swift Current is a city in the western part of the province. The tonnage, the freight rate for a tonne of grain, will increase from \$13.82 in 1994-95 to \$28.58 in 1995-96. That is about a 125 per cent increase. Also, the projection for 1996-97 shows the freight rate for a tonne of grain will increase to \$32.28, a further increase.

In the eastern part of our province, the southeast where we have a Liberal member sitting, in Estevan district, the increase will be from \$11.80 per tonne in 1994-95 to over double, \$23.48 in 1995-96. For 1996-97 the projection is \$34.64, tripling the current rate.

Those in the eastern part of our province will be hardest hit. The overall result barring crop adjustments will be a loss of \$320 million a year in net farm income in Saskatchewan alone. This represents a drop in income of about 50 per cent for farm families, and any shortfall in grain prices will compound their loss.