

*Oral Questions*

• (1450)

[English]

**AGRICULTURE**

## REQUEST FOR COMMITMENT TO DEFICIENCY PAYMENTS

**Mr. Vic Althouse (Humboldt—Lake Centre):** Mr. Speaker, my question is for the Prime Minister or his deputy. A recent poll of farmers confirmed that many farmers lacked confidence in their future, with 59 per cent seeing no improvement in their condition in the foreseeable future.

Since the poll confirms the prediction of FCC that between one-quarter and one-third of farmers will be squeezed out in the next few years, will the Government now acknowledge that it is contributing to this low confidence level by its continued refusal to make a solid and detailed commitment to deficiency payments in the coming year?

[Translation]

**Hon. Pierre Blais (Minister of State (Agriculture)):** Mr. Speaker, I believe the Government and every Member in this House are aware that agriculture is going through a bad period internationally, and not only here in Canada. That recent poll has merely brought to light the importance, as it has indeed been done by the Prime Minister for over a year now, of impressing upon world powers the urgency of putting an end to the price war that seriously affects wheat producers not just here in Canada but elsewhere in the world. To that end, Mr. Speaker, I think the Canadian Government did everything it could do last year when it injected \$1 billion, something absolutely unheard of, that is almost four times more in deficiency payments as had been done in the past. The Minister of Agriculture has been meeting with farm leaders during the last few weeks, and in this recent poll, as the Hon. Member has failed to mention it, the Minister of Agriculture is shown as being approved by 60 per cent of Canadians who wholeheartedly support the Minister of Agriculture's commitment to the interests of farmers.

[English]

## SUBSIDIES ISSUE

**Mr. Vic Althouse (Humboldt—Lake Centre):** Mr. Speaker, do the Minister and the Government not recognize that part of the very lack of confidence in the future of farmers was due to the Government's call, through the Prime Minister at the Venice Summit, for a subsidy-free world, at the very time when this generation of farmers is depending upon subsidies to get them through?

[Translation]

**Hon. Pierre Blais (Minister of State (Agriculture)):** I think, Mr. Speaker, that since the Prime Minister's meetings with foreign leaders at the various summits, including the Tokyo and the Venice Summits, we have put agriculture on the agenda of the major powers. We are all conscious that this war must be scaled down. We are doing every possible effort, including in our negotiations with GATT. I think the interests

of Canadian farmers—farmers know that this Government is always there when farmers need it.

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[English]

**FARM CREDIT CORPORATION**

## LACK OF FINANCIAL RESOURCES

**Mr. Maurice Foster (Algoma):** Mr. Speaker, my question is for the Prime Minister and concerns the serious situation in agriculture. We are seeing the greatest exodus of farmers from the land since the 1930s. A full 33 per cent of grain farmers and cash crop farmers expect to be off the land in two years.

The Government has allowed the Farm Credit Corporation, which is there to help farmers, to go into debt to the tune of \$124 million for the last six months. How does the Prime Minister expect the Farm Credit Corporation to help farmers stay on the land when the Government itself has allowed the FCC to go broke?

[Translation]

**Hon. Pierre Blais (Minister of State (Agriculture)):** Mr. Speaker, it is still somewhat amazing to hear such words coming from a Member of the previous Government under which interest rates hovered between 14 per cent, 15 per cent and 18 per cent, and which we have brought down to 10 per cent and 11 per cent. Those were very positive aspects for farmers. We also applied a program based on the costs of commodities, something which had never been done by the previous Government, and about which we consulted the Canadian people that helped thousands of Canadian farmers. We will continue monitoring that sector very closely with respect to interest rates. You may be assured of that!

[English]

## FARM FORECLOSURES

**Mr. Maurice Foster (Algoma):** Mr. Speaker, I have a supplementary question. I would point out to the Minister that the Government has raised the FCC rate of interest twice this summer, at a time when farmers are in the worst financial crisis in years.

**Some Hon. Members:** Oh, oh!

**Mr. Foster:** I would also point out that, according to the FCC's own report, the Government expects to seize the farms of 6,000 farmers, involving 2.2 million acres, over the next two years.

Why do the Minister and the Government not bring in programs to keep these farmers on the land rather than seize 2.2 million acres of land and thousands of farms over the next two years?