

Adjournment Debate

Sad to say, Mr. Speaker, since that time the Minister has really taken no action. There has been no decision to bring in a new policy on farm credit assistance. I learned a couple of days ago that as of December 1, 1985 the arrears with the Farm Credit Corporation has skyrocketed to \$277 million, an increase of 48 per cent since 1984. As of January 1 the arrears with the Farm Credit Corporation have skyrocketed to \$310 million, up 50 per cent since 1984.

● (1815)

We have a very serious situation in the country with regard to farm foreclosures and farm bankruptcies. The Government put a moratorium on foreclosures. While that may have a short-term benefit to individuals, it does not solve the problem for them. On July 10 the Minister promised that he would bring in farmer-creditor arrangements legislation which would allow the bankruptcy court to make adjustments for farmers facing serious financial difficulties. Since last July he has also been talking about bringing a new Farm Credit Corporation assistance for farmers facing serious financial difficulties. There were some 640 foreclosures which should have been acted on in September of 1985. There are probably a thousand today, yet there is no action by the Government.

The Parliamentary Secretary to the Minister of the Environment (Mr. Gurbin) is from the farming area in Bruce-Grey County which has suffered with the serious devaluation of farm lands and has probably seen more bankruptcies and farm foreclosures than any other district in Ontario. I hope that on behalf of the Minister of Agriculture he will be able to say tonight that the Government is going to implement a program, perhaps one like that recommended by the Finance Committee of the House of Commons. It put a unanimous report before the House recommending that money be loaned at 8 per cent interest on a targeted basis to our youngest and most productive farmers, many of whom are facing farm foreclosures. Otherwise, people will just say that the Government has no commitment to agriculture and is not prepared to do anything for the 23 per cent of farmers who are facing serious financial difficulty and the 11 per cent who are facing modest to serious stress at this time.

Announcing a moratorium is fine, but there must be financial assistance to help those farmers facing the serious financial crisis which is affecting 39,000 of our farmers. Many of them are our youngest, most productive, and most technologically advanced farmers who will most likely be the best

farmers in the years ahead if the Government is able to assist them on some reasonable and practical basis. They still have a chance to be viable in spite of the low commodity prices, falling land values, and everything else that farmers are facing today.

I hope that the Parliamentary Secretary, who is personally very aware of this problem in his own riding, will be able to make an announcement tonight on behalf of the Government.

Mr. G. M. Gurbin (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I appreciate very much the tone of the Hon. Member for Algoma (Mr. Foster), as contrasted to that on some other occasions when we have had the same type of discussions in the House. He quite correctly identified the fact that in most, if not all, parts of our country we are seeing the effects of continued poor economic conditions for agriculture. Due to the commodity prices and too high interest rates the pressures on the farm community have been so great that there are large numbers of farmers in trouble. The exact figures are very debatable, but there is no argument that it is a significant proportion and that it will require different measures than we have seen to date.

With regard to the specific question of the farm bankruptcy moratorium, perhaps it would have been better had it been possible to put a moratorium across the board. The Minister of Agriculture (Mr. Wise) had only the capacity to hold Farm Credit Corporation foreclosures. He did that because it was the only immediate means at his disposal to deal with those serious cases. It has assisted some 670 farmers who would otherwise have been placed in a bankruptcy situation. This will stay in place until we have those final solutions.

● (1820)

Furthermore, there have been some spin-off effects where other lending institutions have examined the situation more closely and I believe withheld some actions which might have occurred. That is a peripheral benefit. Unfortunately, we have not had the full co-operation of the provinces, although one province has introduced legislation to stop all other foreclosures until we have those two solutions.

We would agree entirely with the Hon. Member for Algoma that the two specific requirements are changes to the bankruptcy legislation and changes within the Farm Credit Corpo-