

Oral Questions

Mr. Althouse: I think the minister's answer indicates part of the reason why the number of bankruptcies is higher than in other business sectors. In spite of the subsidized rates which are available, it appears that not enough is being done for agriculture and for farm producers. The amount of debt being carried by farmers is estimated by the minister's department to be over \$20 billion this year. So it is strange that an industry in such great shape keeps incurring greater and greater debts.

In view of the fact that farmers would welcome more dollars from the Farm Credit Corporation which, as the minister said, is money borrowed at the government bond rate, can the minister explain why FCC has actually reduced the amount of funding available in 1980 over the previous year, especially in light of the fact that it was the Liberal party which promised, in the most recent election campaign, that it would increase the funding to the Farm Credit Corporation?

Mr. Whelan: Again the hon. member uses impressive figures, but he does not go further to say that the vast amount of the money which farmers have borrowed is below the 10 per cent interest rate on long-term loans. A tremendous amount of the borrowings is at that rate. The reason we do not have as much money to re-lend is that the Farm Credit Corporation uses a program whereby as payments come in as farmers pay off their mortgage before it is due the corporation recycles that money. But this is not being done because farmers can get mortgage rates at 7 per cent or 8 per cent, so instead of paying off their mortgages, even if they have only three or four years to go, they reinvest the money in trust companies, credit unions, etc., making 12 per cent to 14 per cent on the money instead of paying back the corporation as some others were doing until last year.

However, if the hon. member has any amazing suggestions to make other than criticism, let him bring them forward. He has made no constructive suggestions even when we were discussing the estimates of my department the other day. He said we have created no new programs. Let me tell him that we have created 12 new programs for farmers in the Department of Agriculture and, as I said, we still have one of the healthiest agricultural industries in the whole world.

Some hon. Members: Hear, hear!

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[Translation]

CANADIAN NATIONAL RAILWAYS

CN EXPRESS OFFICE CLOSURES—GOVERNMENT POSITION

Mr. Eymard Corbin (Madawaska-Victoria): Madam Speaker, my question is directed to the Minister of Transport and I shall put it in English.

[English]

Since the Minister of Transport is well aware of Canadian National's decision to cease its express services in many medium-sized Canadian communities, including Edmundston, New Brunswick, can he inform us today if that decision will be

revised, revoked, reviewed, retrorsed, retracted or otherwise retired? If not, will the minister order an inquiry into the mess, above and beyond a parliamentary committee examination, with special attention being given to the cosy sweetheart deal between the union leaders and CN Express over pension arrangements?

● (1200)

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I have already stated my position with respect to CN express action, the effort it is now making to retrench away from small parcels. I have already stated what CN intends to do with respect to its employees, and I will not repeat it. It also intends to maintain a good relationship with the communities. This is more difficult than the relocation or pre-pensioning of employees. Discussions are ongoing with communities in Nova Scotia, New Brunswick and Prince Edward Island. It is my understanding that CN Express will try to see what accommodation can be reached in a very difficult situation. In the meantime, CN Express is not going to abandon communities in which it has fulfilled roles that no one else can fulfil.

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[Translation]

AGRICULTURE

AGRICULTURAL STABILIZATION BOARD—ASSISTANCE TO POTATO GROWERS

Hon. Roch La Salle (Joliette): Madam Speaker, my question is directed to the Minister of Agriculture. Yesterday I had the opportunity of advising his parliamentary secretary of a telegram from the Quebec Potato Growers Association asking the minister to recommend to the Agricultural Stabilization Board that a survey be made on the income of Quebec potato growers in 1979-80. Can the minister tell the House today whether or not he will indeed make that recommendation to the board and when he can report to us on whether Quebec potato growers can benefit from the advantages offered by that board?

[English]

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, I can tell the hon. member that several members on this side of the House from *la belle province* as well as from the provinces of New Brunswick and Nova Scotia have made similar representations. We are now receiving representation from the producers, and I have authorization from the government to go ahead with the stabilization program for the potato crop of 1979-80.

[Translation]

Mr. La Salle: Madam Speaker, the minister advises me that several government members made representations to that effect, but the Quebec potato growers sent me a telegram precisely because they have as yet received no answer to their representations. Under those circumstances, with a view to