

has certainly given me some appreciation of the tremendous challenges they face and the tremendous contribution they make to this country. The farmers make their contribution under the most difficult circumstances possible. Frankly, these difficult circumstances have been made more difficult by this Government since September of last year.

I would like to deal with a few pieces of background data if I could, Mr. Speaker. Let me deal first with the debt crisis that faces Canada's farmers. According to Farm Credit Corporation statistics, 18 per cent of Ontario farmers face severe cash flow difficulties. In addition to that, the net worth of farms in Ontario declined by over 14 per cent between 1981 and 1984. I would ask Hon. Members if this is not the most devastating indication of the growth of this severe crisis in the farm community. The result of this crisis is that the average Ontario farm, as of 1985, is carrying over \$25,000 worth of short-term debts as compared to just \$3,000 in 1981. The consequence is a decrease of significant proportion in investment in the farm community in new equipment, livestock and land.

This reality is not simply a statistical one. I have before me letters I have sent to the Minister of Agriculture (Mr. Wise) on behalf of farmers in my constituency who have faced foreclosure over the past winter. As the debt crisis has tightened, they have eventually had to give in to the pressures that they face.

This crisis has reached such proportions that it affects not only isolated cases. Rather, official bodies have come to recognize just how serious this crisis is. The Minister of Agriculture himself set up a task force to study the farm credit situation. When the task force reported back in May, it endorsed precisely the point which we in the NDP have been emphasizing and that is that it is essential to set up a farm debt relief board which could review and renegotiate debts faced by farmers. After all, Mr. Speaker, we do this for foreign countries like Argentina, Chile or Peru. Surely to God we should be prepared to make that same kind of basic commitment to the farmers of Canada. If there were a situation characterized simply by high debts and if there were some sort of relief emerging in the form of improved prices, then the crisis might be something which farmers could face with optimism. However, the reality is that the price situation is just as critical as the debt situation this year.

● (1540)

In my own county, Essex County, two of the major commodities are soybeans and corn. The current cash price for soybeans is \$6.30 per bushel, while the Ontario Ministry of Agriculture and Food estimates that it costs a farmer \$7.49 to produce that same bushel. We are talking about a difference between price and basic costs of production of \$1.19 per bushel. One does not have to be an economist to realize that means the loss of one's shirt. The same thing is true with respect to corn. The cash price for corn stands at \$2.60 per bushel while production costs are estimated at \$3.60 per bushel. That compares to prices in the last two years of \$4 per

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bushel. Thus, it reflects a massive decrease. While there has been some increase in production, which has been at a loss of \$1 per bushel, it does not do any good. We have a situation in which debts are high—crippling. We have a situation in which prices are low and falling and the consequence affects farm communities, not just in Ontario, but across the country. We have not had a Farm Aid concert which would have dramatically focused attention on farm prices in this country. It is up to Members of Parliament to try to focus that attention for a Government which farmers in the country do not think is listening.

On September 5, I wrote to the Minister of Agriculture after a series of discussions I had with farmers from across my constituency this summer indicating to him, and I quote:

—my meetings with farmers and farm groups in Essex County have convinced me that the economic problems in the farm community in Southwestern Ontario continue to be extreme. Many farmers are facing extremely heavy debt loads, prices for products this year remain low, and the accumulation of past debt service burdens is making the financial position of many farms more and more desperate. The strongly expressed view of farmers in the County is that the Government budget released in May does not provide the required relief which they anticipated; indeed, most farmers have described that budget to me as a betrayal.

In my view, and the view of many of the farmers that I represent, two broad initiatives are very urgently required at this point. First, it is crucial to explore new initiatives to improve prices for Canadian farmers, so that parity objectives can be achieved. As you know, this subject was referred by the House of Commons to the Agricultural Committee last spring, but no further action has yet been taken to pursue the issue. I believe very strongly that you must provide some leadership on these pricing problems, and yourself urge the Agriculture Committee to undertake immediate hearings across the country to investigate various mechanisms for increasing price levels for farm products in this country. It might even make sense to have a special House of Commons task force on this issue, as has been done with a number of other policy questions.

The second broad issue which I feel is crucial, on the basis of discussions with Essex County farmers, is the establishment of a comprehensive debt review board, able to negotiate between farmers and their creditors, in order to establish new payment schedules and interest relief to ease cash-flow problems for many badly pressured farms.

Farm group leaders in my constituency state flatly that financial pressures are now squeezing even very well managed farms, and that relief is crucial to maintain the viability of those farm enterprises.

I went on in my letter to indicate that I would be very pleased to meet with the Minister to discuss these concerns in more detail. My letter continues:

Farm leaders from my constituency, representing both the Essex County Federation of Agriculture and the National Farmers Union would also be very pleased to participate in a discussion with you. There is a great sense of urgency and concern in Essex County, and we all want to provide as much impetus as possible to any government moves in the directions suggested above.

Despite this effort on the part of farmers across the country to push the Government, it has done little in the view of farmers to help their community. In early July we had a meeting in my constituency at which the Hon. Member for Essex-Kent (Mr. Caldwell) and myself reported back to farmers. I have to tell Hon. Members that my poor colleague from Essex-Kent had a tough evening. It was not even necessary for me to be critical of him; the farmers of Essex County raked him over the coals for a Budget which they considered a betrayal of the farmers in this country. They considered it a