

Government Orders

participate in this kind of financial activity, I do not believe that the private sector will ever become motivated enough or competitive enough to provide the financial services the agriculture sector needs. Why should it?

It also strikes me as ironic that the private sector would actually have the level of confidence in the federal government as its guarantor that it appears to have. I know the federal government will certainly have about \$120 billion worth of tax revenue this year and that the \$3 billion in loan guarantees that this act provides for is probably sound, even if it were all to be defaulted upon, which of course it will not be. This type of financial arrangement does raise the ironic question of how an organization that is \$550 billion in debt and that will pay almost \$50 billion this year in interest payments can be counted upon as a guarantor of anything.

It is the government that is in debt trouble and in need of a bail out, not the farmers or the lenders. We might have the cart before the horse in this case.

Therefore I would assert that it is time to ask the question about what the proper approach to financial services for the agriculture sector is. Should government be increasing loan guarantee programs at this time? How can it really be a guarantor of premium quality when its own finances are in such bad shape? Should not the government rather be encouraging the private financial services industry to serve the agriculture industry?

I believe there would be financial companies that would move into this service market, competition would be introduced, and farmers would therefore get good service. The government should clearly indicate to the private sector what it sees as its limits of involvement and then develop policy in that direction.

There is no free lunch. As individuals, farmers, business people or whoever we are, we will all pay for the goods or services that we need. If we get what we need from the private sector we will pay in dollars. If we get it from the public sector we will pay in tax dollars. Mr. Speaker, it is a crying shame that my children and yours are going to have to pay back the \$550 billion debt that we now owe for services that we enjoyed. Debt is nothing other than deferred taxes and the intergenerational transfer of financial obligation.

I ask you, Mr. Speaker, before this problem gets worse, might this Parliament not be the one that recognizes the importance of a clear and better division of responsibilities between the private and the public sectors, between paying by taxes or by dollars. Surely, we should not simply approve this bill or any other like it before asking how much it will cost, how are we going to pay, and is there a better way to do this. If generational stewardship and self-responsibility mean anything, surely we must ask these questions and seek the best answers.

• (1550)

Government must no longer be allowed to continue to grind along day after day, year after year, program after program as a self-contained and self-propagating industry, completely insulated from and oblivious to the long-term consequences of its actions. We either repair and fix our economic house now or our children are going to have to fix it—or it is going to have to be fixed for us by outside sources.

At committee stage of Bill C-75, my Reform colleagues and I want to talk about these matters. We believe that there may be some amendments to this bill that would be in order. We will listen to what other members have to say, what the officials have to say. But rest assured that we will press forward and onward as Reformers in the last decade of this century and this millennium to ensure that our children are not saddled with the catastrophic results of irresponsible actions that we the parents take.

In conclusion, I want to say that the criticism of this amendment to Bill C-75 is not one that would see this act replaced. It is an act that could simply be consolidated, as I mentioned before, with the Small Businesses Loans Act, perhaps put under the auspices of the Farm Credit Corporation, if that is the most efficient and most effective way to do it, and get rid of the huge bureaucracies, as my colleague from the Bloc mentioned.

There are three federal bureaucracies in Saskatchewan. I firmly believe that at least one and most likely two of those could be eliminated. All those types of lending guarantees that the federal government produces for the farm industry should be carefully examined. The big picture of this issue must be looked at, not simply a band-aid measure to make an amendment.

The parliamentary secretary is correct in saying that if we do not make this amendment the program will have to be delayed for two years. However, we can do better than that simply by opening up what we believe and perceive to be a strangulation of the system by effectively not being prepared to look at consolidation and removal of duplication.

As I mentioned, my colleagues and I will be preparing amendments for committee stage of this bill. We would ask that the government and the official opposition would support and work with us on any amendments that would make our system more cost-efficient and effective.

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, let me start by saying that the level of interest in the agricultural community is very high with regard to this particular aspect of financing.

The access to capital is probably paramount to achieving long-term success in agriculture, as it may apply to farm improvements, processing, distribution and marketing of farm products. The program has proven very popular with farmers. The five-year, \$1.5 billion cap has almost been reached. Consequently, we have two choices: increase the aggregate load limit