

no one from the agricultural sector other than an official from a sugar company that sat on that team?

Mr. Nielsen: Again, the hon. gentleman will see with precise detail exactly who were on these study teams and where they were drawn from, but I can assure him that the study teams consulted broadly throughout the country with all levels of Government, with industry and with producers in the case of agriculture.

I should have mentioned to the Hon. Member who asked the last question that I am deeply indebted, as should we all be, to the work of the private-sector study team leader who headed up the separate study on regulatory agencies, Louise Martin.

Mr. Gagliano: Mr. Speaker, I know that the Hon. Deputy Prime Minister (Mr. Nielsen) cannot give me an answer today in full detail and I am waiting anxiously for next Tuesday, but could he indicate to me today if the report will include the Federal Development Bank?

Mr. Nielsen: There are references to that particular program in at least two of the study team reports that will be coming down. The answer is yes.

The Acting Speaker (Mr. Paproski): Since there are no more questions or comments, debate.

Mr. Don Boudria (Glengarry-Prescott-Russell): Mr. Speaker, I am pleased to participate in debate on the Budget. I would like briefly this afternoon to speak to you of issues that affect my riding, more particularly I would like to talk about the farming community, the youth of my constituency and the industry in the riding that I represent. This includes textiles, footwear and many others in that sector. I would also like to discuss middle-class families and how they are affected by this Budget. First of all I want to talk to you about the agricultural sector.

You probably remember only too well, Mr. Speaker, that during the last election campaign the Conservative Party made several promises to the people of Canada. I draw to your attention a booklet concerning those promises. I just happen to have a copy of it here in front of me. It is entitled *338 Tory Promises*. This is a complete list of all the major national promises that the Tories, in the last election campaign, made to the people of Canada. Did it ever promise things. It promised to the people of Canada—and I notice that the Hon. Member for Nipissing (Mr. Mantha) across the way is paying attention to this—113 different things involving spending more money. There were five promises involving the spending of less money. Two promises to increase revenues and twenty-six promises to decrease revenues.

What did the Government do? The Government increased the deficit and claimed that it was being reduced. The Government made several cut-backs and increased the staff of the Prime Minister (Mr. Mulroney), among other things. As you see, in general the Government made promises that it could not live with, and now of course and it should not be to anyone's surprise, least of all the Government's, it cannot

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deliver on the package it presented to the people of Canada during the election campaign.

This Budget is actually not the second but the third budgetary document of this Government. The first document, of course, was the expenditure and program review of November 8, 1984, a day which, of course, has become affectionately known as black Thursday—November 8, 1984—because of all the cut-backs in this particular document.

What specifically did the Government cut? In the area of agriculture, to give you an example, the Government in 1984 cut \$6.2 million from the dairy program, and \$9.4 million from the operations of Government Departments. It closed down Canagrex and cut off \$6.6 million there. It deferred some capital projects, and that cut \$8.4 million off the Budget, and increased service fees in the amount of \$32.3 million for a total of \$62.9 million.

In the May 23 Budget of last year the budget for agriculture was reduced by \$50 million annually starting in 1985-86. Of course that means there is another \$50 million that was cut off in this year's Budget. The Government increased by 2 cents a litre the excise tax on gasoline and diesel fuel. That of course runs in direct contradiction to the promises this Government made during the last election campaign. We saw tax increases on cigarettes and liquor, and this of course affected the grape-growing industry of the Province of Ontario which I represent. What happened on this whole issue? Let me outline for you a comparison of election promises with delivery by the Government. It promised to reduce the price of farm fuels by 20 cents a gallon, by removing 9 per cent federal sales tax and by not collecting the current excise tax. Do you know what the Government did instead? It increased the price by 2 cents a litre on May 23. The Government said it would extend and expand the Farm Credit Corporation, with special interest rate subsidies. The only thing the Government did there, of course, is it decreased the effective rate of the FCC from 14 per cent to twelve and three-quarters per cent only for those individuals who were financed at a rate of 14 per cent and less.

We have presently in this country 25 per cent of all farmers who are in financial difficulties. This means that roughly or 65,000 farmers in Canada, are in financial difficulty.

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In the last Budget the Government announced what it considered to be new measures to improve the farm sector. It promised measures that would partially defer the repayment of loans for 5,000 farmers. Earlier this week I asked the Minister of Agriculture what he will do for the other 60,000 farmers who are also in financial difficulty. During the election campaign the Conservatives said they would assist farmers who were in difficulty, but they did not say at the time that they would only assist a small number of them while ignoring the rest.

The Budget we are discussing today provides for a 1 per cent increase in the federal sales tax. This represents a large increase to a farmer buying a \$100,000 silo. It will cost another \$1,000 for that purchase. When one analyzes the