

Agriculture is my life, the life and breath of my family, it is our passion. If you eat you should be concerned about our future, because our future determines the very existence of yours.

I think, Mr. Speaker, that really summarizes the plight of the agricultural industry.

Mr. Whelan: A lot of inaccuracies, too.

Mr. Mazankowski: Well, the minister says there are many inaccuracies. The Minister of Finance (Mr. MacEachen) says there are many inaccuracies. However, he has not proven that his position is correct. The minister suggests there are many inaccuracies; I say prove it. The fact of the matter is that farmers are not accustomed to writing letters. They write only when they are in difficult circumstances and dire straits.

You and I know, Mr. Speaker, what has happened to grain prices over the last year. I just picked out one grain and oilseed price. On January 19, 1981, export wheat was \$270 per ton. In December it went down to \$218 per ton.

Mr. Evans: That is the government's fault?

Mr. Mazankowski: No, I simply point that out. I am not suggesting it is the government's fault. The government has some control over input costs; it does not have control over the international marketplace. But I will get to some specifics and offer some suggestions, if the parliamentary secretary will simply wait.

● (1250)

I am simply trying to put this matter into perspective. Barley sold for \$187 a ton in January of 1981, and \$120 a ton in December. I could go on. The same thing is true with pork prices.

While we are discussing the beef industry, a beef producer in my riding has been losing an average of \$80 per head on the raising and feeding of his animals. He lost \$80 per head in 1981, with a loss of about \$67 per head in 1980. In 1969 he showed a profit of about \$68 per head. It is very difficult for producers to face those types of consequences.

We know there are bankruptcies. There have been over 260 registered bankruptcies. The formula is that for every one who goes bankrupt, there are probably ten who voluntarily liquidate or go out of business.

This budget has been a complete cop-out as far as agriculture is concerned. The government has gutted the Small Business Development Bond. It is of absolutely no value to the small businessman and the farmer. I do not know of one individual who has applied for a Small Business Development Bond who is not in dire straits, who is not in financial difficulty. If the government cannot make it effective, it should withdraw the darn thing, because it has raised false expectations. It is a measure which this party, when we were in government, brought in to provide some relief to the farmers and the small business sector of this country.

Capital cost allowance is another concern. It is rather ironic, and I am saddened by the fact, that the Minister of Agricul-

Canagrex Act

ture allowed a measure like that to go through, because the capital cost allowance has a direct reflection upon the industrial heartland of Ontario, the automobile and machinery manufacturing industry. Walter Tilden, the president of Tilden Rent-A-Car Co., says that it will cost some 40,000 car sales in the car rental companies.

This government has not provided any assistance for the farmer. It has pulled out any modicum of relief which was contained in the last budget. As suggested by my colleague, the hon. member for Elgin (Mr. Wise), the Farm Credit Corporation is simply an illusion of action. There is no immediate relief contained in that measure.

Mr. Whelan: Don't you want the private sector?

Mr. Mazankowski: Yes, we do. The farmers—

Mr. Whelan: They have certainly looked after the banks.

Mr. Mazankowski: The farmers need help now.

Mr. Epp: Which government controls the banks?

Mr. Whelan: Pardon?

Mr. Epp: Which government controls the banks?

Mr. Whelan: They loaned the money, and they loaned it in a phoney way.

Mr. Mazankowski: This minister talks about the high interest rates of the banks. What about the Farm Credit Corporation? Its rate is around 16.75 per cent, which is pretty high. Why does the minister not bring it down to a reasonable and tolerable level? The minister has some control over it.

Mr. Whelan: Six per cent below the regular lending rate.

Mr. Mazankowski: Fine. But that is still too high for the farmers who are in need.

Mr. Whelan: You want government intervention.

Mr. Mazankowski: I want to bring in the Small Business Development Bond.

Mr. Whelan: You want government intervention.

Mr. Mazankowski: I want the government to bring in the Small Business Development Bond to help the farmers.

Mr. Whelan: That is the job of the Farm Credit Corporation.

Mr. Mazankowski: The government set the interest rate. The herd maintenance assistance program is another program which raised false expectations. The Small Business Development Bond would provide the kind of relief which is necessary to bring farmers out of their current financial difficulties. Three hundred and fifty million dollars is being allocated for industries in certain selected areas. What is wrong with the agricultural industry?