

Supply

Mr. Pepin: It is the Hon. Member's responsibility to tell them a few things. It is his responsibility.

Mr. Crouse: Well, the Hon. Minister will have to convince them. They are still not convinced.

Mr. Pepin: The Hon. Member will convince them.

Mr. Crouse: No, I am sorry, I am telling the Hon. Minister what the people have told me.

Mr. Pepin: They are wrong.

Mr. Crouse: The Minister says that they are wrong. Well, they feel that this will place them at an economic disadvantage vis-à-vis the farmers of Ontario or the farmers of western Canada.

Mr. Pepin: The price of feed is determined at Thunder Bay.

Mr. Crouse: The Minister states that the price of feed is determined at Thunder Bay. The people are looking at this change as one that will give the farmers in the West an opportunity perhaps to use their wheat to raise more cattle and pork in their own area rather than ship it further east to the Atlantic Provinces, and Atlantic farmers will therefore face hog prices which will be cheaper than what they can produce. This is the threat that they are concerned about. I leave it to the Minister to make his own speech. I will lose my 20 minutes if I keep on discussing this particular point, though it is a very important one.

What disturbs the people even more is that the federal Government has called for tenders for a study and it has told applicants that they will be expected to examine, among other things, the effect of the complete removal of subsidies. Freight subsidies on goods shipped within our region dropped to 12.5 per cent from 15 per cent on April 1, 1982, and they dropped to 10 per cent on April 1, 1983, with a promise to give more federal money to the four Provinces for highway maintenance. Now, this may sound good in principle, but I would point out that the federal Government has recognized since 1925 that manufacturers in the Atlantic Provinces are at a distinct disadvantage when trying to sell to major markets in Quebec, Ontario and points west.

The subsidies have varied from different shipping points, but in my opinion they must be retained. I say this because Atlantic manufacturers with a limited market must export from the region at least about 80 per cent of what they produce in order to break even while an Ontario producer could, I submit, happily survive without exporting anything to the Atlantic Provinces. I would point out that a firm located in Ontario might well spend something like \$100 to send a shipment of its goods to the major market of Toronto while the shipment of that same amount of goods from my riding to Toronto would cost \$1,200 or more.

● (1540)

I would not like to predict the number of lost jobs in industries as a result of subsidy elimination for Atlantic

Canada, but such a move would certainly cause some firms to go bankrupt in our area and would in effect extend the recession for all Atlantic Canada manufacturers. This is without a doubt the most important economic transportation threat to our survival within the last 50 years. It is this type of threat, real or imagined, which keeps our industries on tenterhooks while curtailing the establishment of new industries which would depend on central Canadian markets for some of their sales. These proposals affect all industries, but I submit they hit hardest at our farming community.

In the Town of Bridgewater, Nova Scotia, we hold every summer one of the largest agricultural exhibitions in the Province. This affords me, as a Member of Parliament, the opportunity to meet with my farming constituents and they have told me that a broader range of farm credit policy and financial instruments are needed to provide farmers the flexibility and security required to undertake long-term planning. In fact, the young farmers are the most important of all, those with very little equity who made substantial investments in the late 1970s. They are especially vulnerable today to the instabilities which are presently being experienced.

It is estimated that more than 10 per cent of the farmers in Nova Scotia today are facing substantial financial difficulties as a result of current depressed commodity prices. Half of these farmers are in very critical financial trouble at the present time. The failure to find a solution to the dilemma of these farmers will not only result in increased hardship today, but it will also aggravate the long-term problem of transferring ownership of Nova Scotia farms to a new generation of farmers. In fact, some farmers have expressed concern to me that their annual net income is not sufficient to pay for the interest on capital investment. This, of course, is understandable when you realize that the minimum capital requirement to start a viable farm enterprise today has risen to approximately a quarter of a million dollars. There is a need for policies to enable producers better to cope with problems of fluctuating cash flow, especially in the early years of farming.

Perhaps the Government should consider the leasing of land to new farmers with a provision for eventual purchase. An interest rate stabilization program would also be helpful. What I wish to stress is that our farmers, who are the backbone of this country, require more consideration from Government planners than they are receiving at the present time.

It is not only our farmers in Nova Scotia who are facing economic difficulties. In spite of Mr. Kirby's recommendations, our fishermen are facing not only economic problems but social and legal problems as well. I wish to bring a legal problem to the attention of this Government. I do so this afternoon more in sorrow than in anger. I refer to the unfortunate burning and sinking of two Department of Fisheries and Oceans chartered fisheries patrol ships in West Pubnico on Wednesday, May 11. I raised this issue on May 12 in the House through questions to the Minister of Fisheries (Mr. De Bané). Unfortunately, his answers left much to be desired and indicated to me, and to the people of Nova Scotia, that the