

*Farm Machinery Prices*

transmissions, gear boxes and so on would be interchangeable between various machines. If we continue to have six to a dozen different types of machinery all designed to do the same job, which means suppliers have to have the spare parts for all these machines, we will never get the price of farm machinery down to a level where it will not be such a major factor in the farmer's costs of production.

If the idea of the mover of the motion is, as I think it must be, that he wants a real study made of the costs of farm machinery resulting in recommendations to the Government and the House of Commons, and if he believes that the Government and the House of Commons will have the intestinal fortitude to do what is then required to bring down farm machinery prices to a level in keeping with the pocketbooks of the farmers, I think this will be a marvellous step forward. I said I would be very brief but I want to add that any inquiry must have the guts—I said “intestinal fortitude” but I will now say “guts”—to face up to the situation that nothing can be done in this regard under our competitive system unless we are prepared to accept standardization of equipment. If the hon. Member is prepared to have an investigation made with that idea in mind, then I say glory be to him for introducing this motion.

The hon. Member has asked for a Royal Commission. My personal opinion is that a Royal Commission is not required. A study, an investigation in depth, is required, and I believe that because of the experience we have had of certain studies in depth being made by special committees of the other place this would be an excellent task to give the other place, so they can do the same kind of job of investigation they have done with regard to at least two other matters and make a report to the Government and to Parliament.

**An hon. Member:** No.

**Mr. Winch:** One of my hon. friends says “no”. I say that if you are not going to abolish the Senate, if you think there is a task the Senate can perform and that the Senate has a worth-while contribution to make, then this is exactly the kind of job we should give to that body. If you have not got that kind of faith in the Senate, then abolish it.

**Mr. A. B. Patterson (Fraser Valley):** Mr. Speaker, I think it is unfortunate that the Standing Committee which studied this matter in 1960 and 1961 was not able to complete its work and bring in recommendations. I

[Mr. Winch.]

agree with the hon. Member for Durham (Mr. Honey) that it is unfortunate the Committee was not reconstituted in the succeeding session to complete the work it began in 1960 and 1961.

I believe that the hon. Member for Humboldt-Melfort-Tisdale (Mr. Rapp) has pinpointed one of the problems that has been uppermost in the thinking of farmers right across the country, a problem that has been the subject of a great amount of study and investigation and has contributed greatly to stirring up feelings of resentment on the part of those who are being victimized, it seems, by the high costs of production while at the same time their products bring them such a low return. This was emphasized quite definitely in the submission of the National Farmers Union to the Government of Canada on March 1, 1965. On page 22 we find this statement:

The high cost of farm implements is one of the commonest complaints among farmers. The cost index of farm machinery has increased more than two and a half times since 1940. As farms have decreased in number and increased in size, the investment in new farm machinery and repair parts has been steadily rising and the dependance of the farmer on equipment has increased proportionately.

In my view there are a number of things that enter into the high cost of machinery. There are those who argue that in actual fact the cost of machinery has not increased as much as appears on the surface. Reference was made by the hon. Member for Vancouver East (Mr. Winch) to the cost of steel. In an addendum to the submission of the National Farmers Union to the Government I find the following with reference to the increases in the basic price of steel:

The inflationary implications in the rise of basic steel products are certain to have widespread repercussions. In the main body of our submission we have outlined to you the concern of farmers at the rising costs of production and declining prices of farm products. The price increases announced by the steel industry promise to increase costs of farm machinery, repair parts and other basic steel requirements of agriculture.

In addition to the increase in the cost of steel we must bear in mind the fact that more complicated and more costly types of machinery are required today. The fact is, of course, that such machinery is available, and naturally when new types of equipment are produced they are produced to be put to work for the benefit of the people. There is also the aspect that farm units are larger, with a resulting need for larger farm equipment. I believe this is one of the main reasons why