

Mr. TUCKER: To make sure that I understand the position of the farm unions in this matter, because I have been very concerned about it; on page 4 you say that industry takes advantage of tariff protection and price maintenance agreements of various kinds and that these various expedients have placed other industries and other labour groups in a more favourable position than that occupied by agriculture. You take the attitude that that should be definitely accepted as the existing state of affairs and I take it you have no objection to the farm implement industry receiving the same sort of protection other industries receive, and to which they might feel they are entitled, because their costs of production were raised on account of labour demanding higher wages, due to the fact that the cost of living in Canada rose higher. On account of this policy I take it you have no objection to the farm implement industry again getting production?

Mr. PATTERSON: If the time came when that was necessary I would say it was time to again take a real good look at the overall economic structure. At the present time we are not concerned about that and it might be that we will have to reverse and cut back production if the time comes when it is proven that we are over-producing. We maintain that at the present time our machinery is costing us more because of the fact that perhaps 40 or 50 per cent of the productive capacity of the factories is not being used but we must in the purchase of that machinery pay a price which will guarantee the operators a remuneration not only for that part of the plant which is operating but also depreciation on the rest of the plant.

Mr. TUCKER: That is not right, because if they want to charge you more than producers in other countries you will buy your machinery from them, so there is no guarantee to the farm implement industry in Canada today. If they want to charge more than other competing manufacturers, they will not sell a bit of machinery. Your statement is therefore not correct because we have wide open competition from the United States, Germany and other countries. The question is whether you are actually ready to start the other trend of thinking—that farmers should enter the field demanding protection and are ready to give it to others—that is the question about which the farmers are apparently making up their minds—and I am wondering how far your thinking had gone on the subject.

Mr. PATTERSON: In the case of extreme necessity it has been necessary for some of us to readjust our thinking, but while I am on that point, I might say that agriculture implements are only one thing for which we pay. We spend considerable money for other goods and services which are protected and we have the tariff and the support for many of these commodities and that is responsible for the price level we must pay for these goods and services. When you come back to the matter of the establishing of the parity principle I submit that the parity principle has already been established, and evidently in the interest of our national economy. They are not only thinking perhaps in terms of the men who work in the mines, or the men who work in the electrical manufacturing industry and in the manufacturing of various other products. They are interested in the overall economic position and in order to bring a guaranteed stability to the national economy, they are prepared to subsidize certain industries which get into difficulty from time to time. But as far as agriculture is concerned, I think we are in a different position to that of any other industry in Canada. I do not say that in asking for favours they are casting any reflection on any other group or industry. It is necessary, in order to understand the whole situation, that other factors which the farmer must contend with or compete with be thoroughly analyzed and studied in order to reach a common level.