

Supply—Agriculture

farmers want to know how this comes about. There are many who suggest there must be pressure from high financial circles and that this is causing undue delay.

I am not one who sees sinister motives behind everything, but my tolerance is being strained to the limit by current developments. I should like to refer to one suggestion I have heard, namely that this government of which the minister is a member has placed an embargo so as to prevent farmers duplicating the effort they made in Toronto a few weeks ago in importing these tractors. If the interest of the farmers is paramount—and I think it is a big "if"—cannot some report be made as to the terrible disparity which now exists in prices? Why should it have been necessary for a group of farmers to take the action they did in importing tractors from the United Kingdom to Canada at a reported saving of \$20,000 on seven tractors? I am more confident than ever that there are forces at work in this country, and indeed, in the world, against the welfare of the farm segment, and I think this should be investigated. But investigation is one thing; reporting on the results of the investigation is another.

The high prices of farm machinery are not being brought about by our own Canadian dealers across this country, most of whom deserve our sympathy rather than condemnation. The mortality in this business is unusually high. Last week I was shocked when I returned to my home to hear of two more business failures among farm equipment dealers, and this in an ever-lengthening list. Most of these dealers are financially involved, up to their necks. The big suppliers stand to lose very little, because most of the dealers have been forced to co-sign and are responsible for time payments in the event of default.

● (9:50 p.m.)

I suggest that the pattern of government, indeed the aim of government apparently is to provide the cheapest food, in abundance, for consumers. If this is the aim I do not argue against it; but this being the aim, then I submit that every consideration should be directed toward helping the producer reduce his costs. Instead of that the reverse seems to be the case.

We have free trade in farm equipment between Canada and the United States. This pertains supposedly as well to used equipment and so, with the tremendous volume of

equipment used in the United States, many people, particularly from my area, who were short of cash, went to the United States and purchased some of this used equipment. There was greater variety available, and in many cases tremendously lower prices.

I am thinking of the tremendous auction sale held bi-monthly at Archibald, Ohio, where some of my neighbours were able to pick up machinery that would do them, at vastly reduced prices. Indeed, some of the dealers down there also transacted quite a bit of business in this regard. But this was not the case for long. The revenue department, under excise, found some obscure way of taxing these transactions, so that this alternate source of equipment has nearly dried up. This has had the effect, minimal though it might be, of increasing costs. The commission should have some information on this phase of agricultural costs, and moreover should be reporting it.

Returning to the farmer imported tractors from the United Kingdom, one of the disturbing features is the fact that some of these machines are manufactured by great international concerns, and many are assembled from parts made in different parts of the world. An expert on farm equipment tells me that in some machines a transmission case might be cast in England, the differential might be cast in France, and the final machine could conceivably be assembled in the United States. If this is the case, how does the minister account for the tremendous differences in price? There are too many unanswered questions here in the mind of the farmer, with his back to the wall, caught in the cost-price squeeze. Hopefully the Barber commission may shed some light on this, and I was happy to learn, if I heard the minister correctly, that that commission's report will be published early next year.

Machinery costs are one factor in the cost of doing business but there are several others. A new word has crept into our vocabulary and all the experts are using it—inputs. I take it to mean all the items that go into the cost of production. This being the case, then commercial fertilizer is one of these inputs.

I am concerned, as many people are, about the great spread between farm costs in Canada and those in the United States. This is another factor that weighs heavily on the competitive position of the Canadian farmer. The fact that potash produced in Canada is reportedly selling for one third less, and even