

Farm Machinery Prices

economical and more viable one. These approaches which the Government is taking are helpful, and I have mentioned others. They are all part of the whole pattern of solutions to these problems of our agricultural industry. One of them, and a very important one, is the question raised by the hon. Member for Humboldt-Melfort-Tisdale (Mr. Rapp); and as I have already said it is one of the important problems with which we in this House have to deal.

However, I wonder whether a Royal Commission is really the answer. I think the motion is a reasonable and certainly conscientious attempt on the part of the hon. Member to bring this matter to the attention of this House, but I think, as I have already said, that we may be approaching the question within too narrow a scope.

I should like to put on the record a quotation which may be helpful from the proceedings before the Standing Committee on Agriculture and Colonization when it dealt with this problem in 1960 and 1961. I am referring to some remarks of the late Dr. Hannam, who was then President of the Canadian Federation of Agriculture. This quotation appears in Minutes of Proceedings and Evidence, No. 3, when he was giving evidence before the Committee, as reported at page 102 of the report. In his evidence he did not, nor did others on behalf of farm organizations, suggest the approach of a Royal Commission.

• (5:30 p.m.)

This is what Dr. Hannam said when dealing with the problem with which the Committee was faced in respect of agriculture generally in Canada:

In our view the basic difficulties of agriculture arise out of the technological forces making for rapidly rising productivity in agriculture, together with the failure of the demand for farm products to increase correspondingly. The result is a chronic tendency to overproduce and a downward pressure on farm prices and on numbers of farmers.

We think that farmers recognize this fact, and would not want us to run any risk of leaving an impression that we think the problems of agriculture are essentially caused by exploitative increases in costs, though these can be damaging when they occur. To leave such an impression would not serve the best interests of farm policy needs in Canada.

It is in the improvement of conditions of marketing and pricing of farm products, in expansion of markets, in the creation of economic opportunity for rural people, and in progressive credit and resource use policies that the greatest hopes for improvement in the farmer's condition lie.

I should again like to refer to the proceedings of that Committee and, in particular, to

[Mr. Honey.]

a recommendation made by the Saskatchewan Wheat Pool through its President, Mr. C. W. Gibbings, who presented a comprehensive brief containing a number of interesting and useful recommendations. Again, these recommendations did not include a reference to the setting up of a Royal Commission.

The recommendation I think is of interest in the context of this problem reads as follows:

That Governments, organized farmers and individual farmers themselves consider methods of encouraging custom hiring and renting, the sharing and co-operative ownership of farm machinery in areas and under conditions where each is feasible and desirable.

Hon. Members will recall that a few months ago this Government passed the Machinery Syndicates Credit Act, which I think is in fact the implementation of that recommendation made by Mr. Gibbings at the time he appeared before the Committee. I do not intend to go through the details of that legislation because hon. Members are familiar with it, but it does provide a method for co-operative purchase and ownership of farm machinery, when three or more farmers wish to join together for the purposes of obtaining loans under this Act.

The legislation, as you know, Mr. Speaker, has been in effect for only a few months. Up to this time in Canada 46 syndicates have been established and have received some \$500,000 in loans. This is the sort of thing that can and does help toward solving the problems of the farmer. There is a great deal more to be done and I would not suggest for a moment that that is not the case. However, I do believe that the steps this Government has taken have been of great assistance.

I should like to mention one or two other steps the Government has taken, if I may, which were included in the budget resolutions now before us. One is the provision for the write-off, in the year in which they are incurred, of all the expenses of draining and of clearing farm lands. I believe this is going to be very helpful, and this is the way a farmer can be realistically helped in his battle against rising prices of things he uses, and his battle for stabilized prices for the things he sells.

One other measure referred to in the budget resolutions that I wish to mention is the provision for storage and handling of grain, whereby purchase and construction costs may be written off in a much shorter period of time than has been the case heretofore. Again this is a practical demonstration of the things