

Emergency Powers Act

runaway inflation. The cost of living index as it affects farm living costs is not kept up to date in the same way as the general cost of living index. The latest figures available for the farmers' cost of living index are for August, 1950. At that time the general cost of living index was 168.5, while the farmers' cost of living index was 180.7 or 12 points higher than the general cost of living index. If one looks further at the way inflation has affected the farmers' cost of production, one can see that the eleven-factor farm cost index published by the dominion bureau of statistics—

Mr. Gibson: That has to do with production costs?

Mr. Argue: Yes, that is right. It represents eleven main factors involved in production namely farm implements, building materials, gasoline, oil, feed, fertilizer, binder twine, seed, hardware, tax rates, interest rates and farm wages. In January, 1950, that index stood at 196.3, while in August, 1950, it stood at 215.4, an increase within that eight-month period of 19.1. There is no reason to believe that since August, 1950, the farmers' cost of production has not continued to rise. The wheat farmers, thus with a set price for their products and rising costs, are finding themselves in a real squeeze.

I have a few figures here related to the increase in the cost of farm implements. These figures are the result of my own research, so if they are inaccurate—I do not believe they are—I shall accept the responsibility. The price of a John Deere model A tractor in Regina in 1945 was \$1,338. The price of the same tractor in 1951 was \$2,450. A Massey Harris self-propelled combine sold for \$3,185 in 1945, and in 1951 for \$5,105. There has been an increase in this all-important item in a farmer's cost of production of between 40 and 60 per cent between the years 1945 and 1951. These increases should not be allowed to continue. I stand up in this debate therefore, Mr. Speaker, to make the statement that the farmers from one end of Canada to the other would welcome over-all price control. I make a further statement that when the farmers are asking for over-all price controls, they do not mean a freeze. We do not want the price of eggs frozen at today's level in Saskatchewan, where one week ago a farmer was receiving 25 cents a dozen. When I go home at Easter, I shall bring some eggs back because I am now paying 6 cents each or 72 cents per dozen in the local stores. Spring production on the prairies or something has hit the price of eggs, and the farmers are getting 25 cents a dozen at the local delivery point.

[Mr. Argue.]

The farmers are not seeking to gouge every possible dollar out of the Canadian consumer. They are not asking the very highest inflationary prices for each and every product they sell. At the same time they object to being forced from time to time to take prices that are unnecessarily low and below the cost of production. Hogs are a fairly good price today, it is true; but how many hogs are coming on the market across Canada? When hogs were going on the market last fall in quantity, the price was \$27 or \$28 a hundred. Today when the farmer has no hogs to sell the price is \$34 a hundred. The same thing applies to eggs. When the farmer has no eggs to sell, the price is sky-high; and just as soon as the hens begin to lay, down goes the price. In the province of Saskatchewan, this great floor price we have lets the price of eggs drop to 25 cents a dozen to the farmer.

Our farmers want parity prices. I had in my office yesterday a sizeable rancher from Willow Bunch. He told me that he was wintering now 140 head of Hereford cattle. I said to him: "The price is good for cattle now, is it?" He said: "Yes, it is exceptionally good". "But," he said, "I think the price of cattle is too high for the good of the livestock industry". He said: "As an industry, we would be prepared to accept a parity price for cattle if that parity price would be guaranteed over a period of years". He further said to me that he thought that increased stability would be worth a great deal to the farmers and that perhaps if parity prices were applied to all farm products, it might mean a somewhat lower price at this time; but, it would mean stability and a better price for beef in the years to come.

The Saskatchewan Farmers Union, with a membership of 30,000, in convention in Saskatoon in December of last year, passed the following resolution in reference to price control:

Whereas we, the members of the Farmers' Union, view with alarm the general economic trend wherein prices in general are sure to be increased, and are convinced that security lies in price control:

Therefore be it resolved that we demand that the federal government put price controls in effect at a point comparable with farm prices.

The demand amongst the farmers for price controls, in my opinion, does not lie in any one province. As a matter of fact, I think the farmers in every province of Canada have much to gain through a price-control system which is applied equitably and which will guarantee them reasonable prices based on parity year in and year out. The last issue of the *Rural Co-operator* has in it an article from which I should like to quote and which proves that the farmers of Canada are