

to reduce their storage. The government in this regard is abdicating its responsibility and the net result is we have lost stations in many communities and will lose many elevators which will further complicate the situation in that it will increase the cost of production in those areas. This is all part and parcel of the government's planning.

We have heard so much about Bill C-176. This is part and parcel of the bureaucratic planning on behalf of the industry. It is supposed to do great things for the industry. Without going into the ramifications, I might say that when one talks to farmers one is frightened by their reaction. In the initial stages when this bill came before the House I was somewhat impressed by the fact that at that time the government felt it was in the interest of the industry. To some extent even our NDP friends shied away because it was part and parcel of the national marketing idea they had batted around for years. At various stages of the discussion of the bill they were reluctant to show any opposition to it as a plan which they thought was acceptable to them. Part of their philosophy involves government bureaucratic planning and they consider this the only way to solve some problems.

The government's consolidation program on which the hon. member for Crowfoot (Mr. Horner) touched is another program with a far-reaching effect. What does consolidation mean? It simply means a small farm is added on to another farm. This means the eventual elimination of farmers. I do not see how we can consolidate and still have as many farms. In addition there are bound to be fewer producers. When the agricultural committee was studying the whole question of farm machinery prices the president of what was then Massey-Ferguson came before us and waved a headline. That was in 1961 or 1962. The headline announced a large sale of grain. He was happy because this meant they could increase the price of farm machinery. That is exactly what happens. There are many people who are willing to help relieve the farmer of any income he obtains. It is almost as if they have the first claim on his income. As one goes through the country one notices the new offices and facilities the banks are building. All these things are paid for by the interest payments made in and around those communities.

As a matter of fact, we end up with the credit unions and banks in competition when everything else is falling apart. When other businesses fall apart the banking fraternity seems to be able to increase its facilities and services. We have reached the point where everybody is involved in mortgages.

This brings to mind the situation which existed in Cuba. The reason for the Cuban revolt really was that the people wanted to have a piece of land that was really theirs. Whether it is a large corporation or the government which owns the land the net result is—

Mr. Speaker: Order. I have to interrupt the hon. member. Since it is one o'clock I must now leave the Chair. The House will resume its work at two o'clock.

At one o'clock the House took recess.

Suggested Payment to Western Farmers

AFTER RECESS

The House resumed at 2 p.m.

Mr. Korchinski: Mr. Speaker, when the House rose at one o'clock, I was suggesting that the government's policy with regard to farm consolidation is unacceptable in the light of present circumstances, as well as in the light of the past experiences of some other countries. I was remarking that in Cuba, where some land was owned by landlords, the Cubans took it upon themselves to change that system, perhaps in a more violent way than one would care to see in this country. They felt that consolidation was unacceptable in view of unemployment. We in Canada find ourselves in a similar situation, and if the present trend is continued by this government it will eventually lead us into an unhappy situation. As farms are consolidated into larger and larger holdings, the unemployed who are massed in urban areas will ask why the land holdings have to be so large, regardless of whether these holdings are private property, government holdings or those of the Farm Credit Corporation.

This government policy will lead farmers to say that they do not care whether or not they own the land. The government is already in the business of confiscating some of this mortgaged land. That will be unacceptable from the point of view of production. I have had an opportunity of visiting some of the communist countries, such as Poland and Russia, where I found that production was very poor. The explanation provided by most people was that individuals lacked incentive. In the case of Poland, the government of that country had to turn over part of the land that was state owned to private individuals. This provided greater incentive for production, and the net result of the reversal in their policy was increased productivity.

Surely, we should learn a lesson from these countries. We do not want a situation where violence would be almost necessary. On the other hand, we do not want efficiency to be decreased. I pointed out previously that the redistribution of some of the wealth may be necessary. The government's proposal, as set out in one of the bills, would indicate that whereas in the past the infusion of government money into the western economy was in the order of eight to one, at present the ratio is one to one; in other words, the amount deducted from the producer himself is equivalent to the amount contributed by the government. This fact was amply demonstrated in the Prime Minister's speech on June 2, 1968 when he outlined what was then the Liberal policy. This policy has resulted in the effort to consolidate farms rather than have a government infusion of cash. It is true there is a time when one should put on the brakes, but there is also a need to see that the lives of these people are not disturbed to the point that they become so disappointed they simply walk away from a life's work and effort. On three occasions another administration, then headed by—

● (2:10 p.m.)

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but I must do so in order to advise