

Farm Credit Act

dollars. However, prices have been constantly increasing.

I wonder whether one of the first steps—

It was the present minister who was then speaking.

—the minister could take in connection with this matter would be to have the people responsible for combines investigations look into the situation to ascertain if there has been any agreements made between the various farm machinery companies to raise prices. If there has not been, it seems a little difficult to understand—

We still do not understand.

—why all of them decided to raise their prices substantially within the last 15 to 18 months.

The problems of that time are still the same in October 1968.

I conclude by saying—

I am quoting the words said by the minister in 1966, and I would like him to remember.

I conclude by saying that I feel the minister has a responsibility to do something to convince farmers across the country that there is some justifiable cause for the very large and significant increase in farm machinery prices which we have noted recently.

At that time, there were complaints about the increase in farm machinery prices. So how will the minister convince all the farmers in this country that the interest increase on farm loans and the interest on farm machinery purchases, we want to increase tonight, are acceptable?

I should like, at this stage, to make a comment concerning the hon. member for Kent-Essex (Mr. Danforth) who, a while ago, denounced the interest rate on farm loans and farm machinery, saying they were intended to be profitable to banks only. This afternoon, however, less than twelve hours ago, that same member voted for the increase in the rate of interest.

Again, it is not the farmers, as I have shown this afternoon, who are getting returns and whose returns are increasing. It is precisely the rates of interest charged to those people we are preparing to increase tonight and those loans will be profitable to individuals who are at present in the financial world and in favour of whom this new act will mostly work, as the hon. member for Kent-Essex has pointed out in his complaints.

I take for instance the case of Mr. George Arnold Harp, President of the Bank of Montreal, who is administrator of a finance company and of trust companies, who is involved with farm machinery companies, who is a

member of farm machinery unions, who has invested in funds, who administered in 1966 a total of \$14,387,000,000 and who caused the profits of the companies he was administering in 1966 to show an increase of \$1,249,968,000. This afternoon we voted against a legislation for which the government and the conservatives have voted unanimously so as to increase the profits of those gentlemen. The same M.P.'s will probably vote again unanimously, following the same logical reasoning they have brought forth this afternoon, to increase the rate of interest on loans granted for the purchase of farm machinery, although the hon. member for Kent-Essex has spoken against such plan this afternoon.

Mr. Chairman, I could also consider the balance-sheet of companies administered by Mr. Earl McNaughton, chairman of the Royal Bank of Canada and executive of several finance companies, especially Capital Investment Corporation, Niagara Insurance, Canadian Pacific Railway, General Motors, Royal Victoria Hospital and many others, as the Montreal Trust, etc.

The asset of the companies which he administered in 1967 amounted to \$33,759 million and still, not one of their balance-sheet shows a deficit. Nevertheless, this evening we are on the verge of doubling the interests of those gentlemen, since the Minister of Agriculture has not yet said no to the financiers.

At this point, I would like to remind him that a few years ago, he knew how to say no to financiers. Now he is saying no to the farmers, and he says yes to the finance corporations and banks which to-morrow could double the interests on loans for the purchase of farming implements and thus raise problems for many hundreds of thousands of farmers.

As the minister was not here this afternoon when I made the remark regarding a farmer who last night was to make a loan at 5 per cent, I will remind him that the same farmer will not be ready, within a few days, to borrow at 8 or 9 per cent. Canada will count one farmer less, which will make our national product go down by as much and the Minister of Agriculture will be responsible for this situation.

It is unfortunate that we have to repeat all this to the Minister of Agriculture who is an expert in agriculture as well as in finance. That is why we cannot pass without objecting, a bill which is so important for the farmers and which will cause a serious prejudice to them in years to come.