

refer to all the machine companies, but shall deal only with the Massey-Harris Company, and I shall refer to it later in another connection. I find that a Massey-Harris 21A, 11-foot self-propelled combine with auger table, less cleaner, carries a new price of \$3,791.90, whereas the old price was \$3,379.55, representing an increase of \$412.35.

I could go down the list and give similar increases all the way through. Then, I would refer to a statement from the *Financial Post* of November 15, 1947, where the profits of the Massey-Harris Company are set out. I mentioned a little while ago that Canadian farm machine companies had been permitted to increase by 12½ per cent the price of their machinery manufactured in Canada. In that connection, may I point out that this House of Commons was fooled. I do not know whether it was done deliberately or not, but it was certainly fooled on that occasion.

All hon. members will recall that we fought strenuously that 12½ per cent increase, but that in the course of the discussion we were informed that the 12½ per cent increase in the price of farm machinery would take place at the factory door. We thought then that \$100 worth of machinery manufactured and ready for shipment outside the factory door would increase in price by 12½ per cent. However, when I got home that winter, following the session, I found that \$100 worth of machinery had added to it the transportation costs to the point of delivery, and sales costs, and that the 12½ per cent was added on to the whole sum before the machine reached the ultimate consumer. Not only did they make 12½ per cent on the manufactured cost, but they made 12½ per cent on what they paid the railroads or trucking companies for transportation; they made 12½ per cent on what they paid agents for selling, and on various other costs which enter into the selling of farm machinery.

We claimed at that time that neither Massey-Harris nor any other farm machine company needed that increase. The *Financial Post* of November 15, 1947, shows that in 1945 Massey-Harris made a profit of \$1,588,480 and that in 1946 they made a profit of \$2,125,570, or an increase of 34 per cent. But in dollars

and cents that is an increase of \$537,000. I submit that even those in the house who believe in private enterprise being entitled to its profits must realize that, with a profit in 1945 of \$1,588,480, they did not require another \$537,000 on top of that in 1946. We were told they needed that increase in price because they might go into the hole if they did not get it. The actual fact is that they made greater profits; and there is every reason to believe that these same companies have increased their profits again in 1947.

The prices I hold before me went into effect in November, 1947, and the same increases could be shown for Cockshutt, John Deere and Massey-Harris. As I said before, there must be some hidden motive for all this. I read in the *Globe and Mail*, which no one will suggest is a C.C.F. party organ, an article by Warren Baldwin who is somewhat concerned with the meaning of all this. He is inclined to think, as I do sometimes, that we are getting too closely enmeshed in the American economy, and that we are entirely too much governed by decisions taken in the United States. I know the Minister of Finance refuted that suggestion rather heatedly when it was said by the hon. member for Vancouver South (Mr. Green) that the government is taking orders from Washington. Perhaps it is not; but all indications are that we are heavily influenced by United States decisions.

If the European recovery plan ever does get into operation, apparently it is the intention that a great deal of the money voted for that purpose shall be used for the purchase of supplies in Canada.

On motion of Mr. Bentley the debate was adjourned.

#### BUSINESS OF THE HOUSE

Mr. MACKENZIE KING: I assume, if there is no objection, that all hon. members will be prepared to continue with this debate tomorrow. If there is no objection we shall call it unanimous.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.