[*English*]

FARM MACHINERY

INQUIRY AS TO REPORT BY ROYAL COMMISSION

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Minister of Agriculture. It is based on the report from the Dominion Bureau of Statistics that Canadian farmers bought fewer machines in 1966 but paid more money for those fewer implements. I wonder whether the Minister of Agriculture could advise the house whether the royal commission looking into these prices, and so on, will soon be in a position to give the house a report as to the justification for these price increases during 1966.

Hon. J. J. Greene (Minister of Agriculture): To the best of my knowledge, Mr. Speaker, the royal commission has not indicated any intention to make an interim report of any kind, although I will be pleased to look into this matter. But I will be having a statement for the house very shortly on my personal findings with respect to farm machinery prices, which I made pending the report of the royal commission.

Mr. Olson: A supplementary question, Mr. Speaker. I wonder if the minister could advise the house whether he is now prepared to ask the royal commission for an interim report respecting this matter, inasmuch as we now have conclusive evidence that there was a substantial increase during the past year.

Mr. Greene: I will be pleased to consider this suggestion, Mr. Speaker. The newspaper reports I have read to date do not indicate the extent of the increase except in gross amounts. But I will be pleased to consider this question with the commission.

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): A supplementary question, Mr. Speaker. Would the minister not be justified now in putting a moratorium on the prices of farm machinery, in view of the fact that the prices have increased since the commission was appointed?

Mr. Greene: I know of no authority that the federal government has to put a moratorium on prices, Mr. Speaker.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): A supplementary question, Mr. Speaker. While the minister has no power to fix prices, has he communicated with the implement companies and asked them not to increase their prices while the commission is continuing its investigation, prices which too often appear to be completely unjust and unjustifiable?

Mr. Greene: I have had such meetings and I have put the position put forward by the right hon. gentleman as forcibly as I know how. I will have a report for the house very shortly on the results of these meetings and negotiations.

Mr. E. Nasserden (Rosthern): Mr. Speaker, my supplementary question is addressed to the Minister of Finance. Will he consider the removal of the 11 per cent sales tax on production machinery?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, the sales tax on production machinery will be reduced by half in April of this year and will be entirely removed a year hence.

Mr. Ed. Schreyer (Springfield): A supplementary question, Mr. Speaker. I should like to ask the Minister of Agriculture whether he has attempted to enter into negotiations with the provincial authorities with respect to the question of a moratorium on farm machinery price increases.

Mr. Greene: No, Mr. Speaker.

INDUSTRY

REQUEST FOR COMMITTEE CONSIDERATION OF AUTOMOBILE AGREEMENT

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I wish to address a question to the Minister of Industry. In the light of the announced intention of General Motors to lay off workers both in St. Catharines and Windsor, and in view of the continual permanent lay-offs and stoppages of work, will the minister consider referring the auto pact to a standing committee of the house to study the question of why these lay-offs are taking place?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I think the assumption that these are permanent lay-offs is not well founded.

Mr. Starr: It is.

Mr. Drury: MacKinnon Industries have stated publicly that the current lay-offs are due to the decline by some 20 per cent in the current market for motor cars in the United States. These lay-offs are not permanent.