

The Budget—Mr. Danforth

because they show why the farmers are in trouble today.

First of all I should like to refer to the index of prices received by farmers, using the two years 1947 and 1967 and based on a 1935-39 index figure of 100. The 1947 index figure for prices received by farmers was 215.8. This is the value of the prices received. In 1967 it had increased to 286.6, or an increase of 61 points. Therefore the prices index figure for farm goods increased by 61 points.

Now let us look at the other side of the ledger. What about the increase in the prices of what the farmer buys? Let us take farm machinery. Using the two basic years we find that in 1947 the index for farm machinery was 126.3 but that in 1967 it was 302.8, an increase of 176.5. What about taxes and interest rates? From a low of 125 in 1947, by 1967, 20 years later, the index figure had gone up to 147. Here is the factor which really gets the farmers into trouble. Using the 1947 index for farm labour of 341 we find that in April, 1967 the index stood at 873.3, an increase of over 500 points. This gives an indication of what is troubling the farmers today. It is just a simple matter of less returns on more money invested with a definite downturn in the economic return.

The farmers are looking for guidance, not handouts from the government. They want to know what the government intends to do to cope with the situation which has developed across Canada today. In 1963 this government promised the people of Canada a definite sugar policy. It was to be one of the first actions of the government in regard to agriculture. How prophetic they have been. If in the near future they do announce a sugar policy for Canada, it will indeed be the first government action on behalf of the farmers of this country. Not only have they not announced a sugar policy as promised but they had the temerity in 1965 to tell the farmers they already had one and did not know it.

Why do we have this lack of stability in respect of the farm picture today? I think it is because the farmers across this nation feel that the government does not take a practical approach to their problems and that everything is calculated strictly on the political approach of how many votes will it get. If it does not add up on the right side of the ledger, then there is no help.

It would appear that the government does not have enough basic facts to enable it to

make firm decisions. I might point out a concrete example of this. Let us take the dairy industry and ask ourselves how the farmers can have a long-range policy when the government in three years has had three national dairy policies. How can they formulate a long-range policy when faced with something like that? When this government makes an error like this it draws within its shell and there is no further action for months and months.

If there is anything we can criticize the government for it is its procrastination. After five years in office the government has made no attempt to solve the basic problems which face the agricultural community. This is indeed unfortunate because the government is backed up by perhaps one of the finest agricultural bureaux in the world today but one which is hamstrung through lack of direction. There are 11,000 employees in the Department of Agriculture and it costs the taxpayers of this country \$72 million per year to pay the wages of these specialists. The taxpayers, particularly the farmers, are beginning to ask what they are receiving for this money.

• (4:30 p.m.)

The Acting Speaker (Mr. Rinfret): Order, please. I regret to interrupt the hon. member but his allotted time has now expired.

Mr. Danforth: Mr. Speaker, I ask for the indulgence of hon. members. I believe I can conclude in two minutes.

The Acting Speaker (Mr. Rinfret): Does the hon. member have the unanimous consent of the house to continue his speech?

Some hon. Members: Agreed.

Mr. Danforth: Thank you, Mr. Speaker, and I wish to thank hon. members for their indulgence.

In conclusion I say that the farmers of this country are worried today because the government does not appear to have the answers to these problems. In fact, there seems to be ample proof that the government does not even know what the problems are. The government has established a national dairy commission to find out what is wrong in the dairy industry. It has established a national feed grain commission to find out what is wrong in this area. The government has appointed a task force in respect of agriculture to decide what the long-range policy should be. It has also set up a commission on