

Report of Discussions on Farm Machinery
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Mr. Starr: Mr. Speaker, on a point of order, I am wondering whether this is an announcement of policy. If so, nothing has been said yet. All we have been listening to is propaganda, and I do not know whether this is the time for that sort of thing. If the minister has a matter of policy to announce then I wish he would get around to it instead of embarking upon a long preamble.

Mr. Greene: Mr. Speaker, I am not sure to what point of order the hon. gentleman is referring.

Mr. Starr: We want to know what you are trying to tell us.

Mr. Greene: Mr. Speaker, the hon. gentleman's colleagues have been asking for a statement on the results of the discussions I have had in connection with the prices of farm machinery. I think if hon. members listen to the facts I am giving them they will be apprised of the results of those discussions, with which I trust they will concur. I do not know what else I can tell them other than relating the facts and the results of the discussions.

As I was saying, Mr. Speaker, in the meantime, in the light of generally rising costs and the considerably higher price increases, including those of wages, in other areas of our economy, it is my belief, following lengthy discussions with many farm machinery company officials, that this over-all price increase of some 2 per cent to 3 per cent is not, in the light of all the circumstances, an irresponsible one.

I have been asked whether I propose to table this correspondence between myself and machinery companies. Since the companies have voluntarily provided the information on which this statement is based, and in view of the value of, and need for, continued co-operation in the light of the investigations being conducted by the Barber commission, I do not believe any useful purpose would be served by the tabling of these documents.

Mr. H. W. Danforth (Kent (Ont.)): Mr. Speaker, the farmers of this country will be delighted to learn that the government has finally ascertained that there has been an increase in the prices of farm machinery, something the farmers have been aware of for the last four years. Both the farmers and the agricultural industry as a whole are going

[Mr. Greene.]

to be very disappointed in the announcement that has been made this morning, because following previous announcements of the Minister of Agriculture when he first took office they anticipated that should there be a drastic increase in the prices of farm machinery something would be done about it. This is why we have constantly requested an announcement in this regard, hoping the government would enunciate some policy to prevent the tremendous increase in the prices of farm machinery which has occurred. On the other hand, I am sure the machinery companies both in the United States and in Canada will be delighted indeed that the minister has taken this opportunity to justify the increase in their prices.

The minister states, Mr. Speaker, that he has been assured that the price increase for 1967 will be in the neighbourhood of 2 per cent to 3 per cent over-all. However, he tempers this by saying there will not be an increase on some items of machinery. The farmers know that if machinery is not selling, then there will not be an increase in the price. On the other hand, the minister has indicated that there could be an even greater increase in the prices of certain specified machines.

Anyone who buys farm machinery, Mr. Speaker, knows that under normal circumstances most of it is purchased during the first three months of the year. This announcement has been delayed until the major portion of the machinery required for the 1967 season is either now in the hands of the farmers or has been contracted for.

I would take issue with the minister's figure of 2 per cent to 3 per cent. Figures just released by the Dominion Bureau of Statistics would seem to indicate that in the 1965 season there was an 10 per cent over-all increase in farm machinery prices. As far as the 1966 season is concerned, it has been pointed out in this house to the minister that in some instances prices went up 8 per cent. With the increase now indicated by the minister of some 2 per cent to 3 per cent for this year, this means that in 1967 the farmers of this nation could be faced with increases in prices on some lines of machinery of 20 per cent over the 1965 prices.

Such an increase is not justified, Mr. Speaker, and I suggest that the farmers of this nation have every reason to blame this government for not bringing in a policy which would hold down farm machinery prices. That was what the farmers expected,