

Income Tax

Canada. I hope he will take this as a representation that the deductibility be raised from the present \$300 to at least \$1,000. It would make a lot of volunteer firemen very happy. They take their lives in their hands at a fire, and are then penalized by the tax department for volunteering. I hope the minister will increase the deduction so that there will be greater benefit for them and they will not be punished for volunteering in the first place.

● (2222)

The third point I should like to make is that this country has fallen behind the United States in the matter of insurance on moneys on bank deposit. At the moment the ceiling in this country is \$28,000 and that sounds a lot, of course, to people who do not have a great deal of money. We need to encourage the lending companies in this country, however, to enlarge their investment pool. In the United States the insurance on savings has been raised to \$40,000 to keep up with inflation. We have not done this, and I suspect there is a great shift of savings from bank accounts into such things as coin collections, antiques, stamp collections or property. This takes money out of the liquid pool which could be used for reinvestment and for keeping the economy moving. People are doing this to avoid the hazard of investing in a lending institution that does not have adequate insurance. Only an insignificant increase in premium would be required to raise the level of insurance to \$40,000. Certainly many people would feel more secure about putting money into savings accounts if they knew the insurance was keeping up with inflation.

The fourth point I come to was raised by the hon. member for Elgin (Mr. Wise) and also by the hon. member for Norfolk-Haldimand (Mr. Knowles), and that is the tax on farmland that is passed on to another member of a family. British Columbia has had experience with land freezes, and in the last four or five years the cry has been "save the farmland." It was a well-intentioned but nervous cry. However, it was also accurate as more and more farmland is being put into non-productive uses. In too many cases the land that could be most easily developed was good farmland and it was subdivided for residential or industrial properties, a further loss in the food production that we are going to need in future. We will be sorry in later years that we have done this.

The cry has been to save the farmland, but it seems to me that approaches the problem from the wrong direction. If this

government focused on saving the farmer, we would not have to worry about saving the farmland. If the farmer could make an honest living we would not have to worry that he might look forward to the day when he can subdivide his farm and retire on the income that produces. We would not have to worry about that. If farmers could get a fair living out of it—and we know they are honest—they would not worry about looking to the day when they could subdivide their property and live off the money they would get from that subdivision, and we would not lose it to the land developer. We have to address ourselves to that problem. I agree with the hon. member for Elgin and the hon. member for Norfolk-Haldimand that if the government would take away the capital gains tax on land which is passed on through the family and protect the family farm in that way, we would go a long way toward saving the farmer, and we would not have to worry so much about saving farmland.

● (2227)

There are many other reasons why the farmer is finding it difficult. I think of tariffs. I think, for example, of mushroom farmers in my constituency who are facing an inundation of very cheap, high quality mushrooms, which are being imported from Taiwan and Korea. There is no way, considering the labour force in those countries, that our farmers can compete, except on the fresh mushroom market. The same is true with regard to wax beans, green beans, and all those vegetables which are being canned at almost dumping prices in those Far Eastern countries. Those vegetables are being brought into our country at not much more than half the price for which those same domestically grown vegetables are being marketed, and we are expected to save the farmer. We must get serious about looking after the farmer, and then we will not have to worry about looking after farmland.

I see that it is one minute before 10.30. I wonder if I may call it 10.30 and carry on tomorrow.

Mr. Deputy Speaker: Is it agreed that we call it 10.30?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being 10.30 p.m. this House stands adjourned until tomorrow at 2 p.m.

At 10.30 p.m. the House adjourned, without question put, pursuant to Special Order.