

might go on a slow-down strike as some of the other occupational groups have done. About a year and a half ago, however, just after the Christmas and New Year's holidays, thousands of income tax blanks were sent out and the farmers were asked to fill them in. Only a small percentage of the farmers kept accurate records, and those farmers were able to file the returns. Those farmers who did not keep records were asked to come to certain towns all over the prairie provinces, where they were met by a number of assessors from the income tax branch. Where a farmer could not produce records these assessors made up an income tax return on the accrual basis. By that I mean they went back to January 1, 1941, and got an inventory of the farmer's holdings as at that time. Then they took another inventory as at the end of December, 1945, and assessed a certain portion of the difference as income for each of the years in between. Then, if they found the farmer taxable they had him pay the tax. Perhaps that system is all right to overcome a farmer's failure to keep records, but I feel that injustices were done the farmers in making up those forms. In most cases, of course, farmers are not bookkeepers. The assessors did have some knowledge of bookkeeping, so that the farmers did not question the statements they made up but, if they had the money, gave their cheques for the amounts involved. In many cases, however, farmers who thought they were out of debt had to go back to the bank and borrow in order to pay their income tax.

Some of those income tax returns included amounts running up to \$800, in the case of some of my bachelor neighbours, representing that portion of their upkeep which was supposed to have come from the farm. In my opinion, that should not be done. In 1942 we had a discussion in this house on farmers' income tax, and at that time I felt that we had gained at least some redress for the wrongs that were being done the farmers. On the back of the blue form used by farmers we still find this note re farmers' receipts and expenses:

4. Produce used from "family garden" and small sums usually termed "pin money" obtained by the wife, sons or daughters, by their own efforts, need not be taken into account.

At that time I felt that the minister had met the objection, and that we would have no further trouble, but we find the practice of charging the farmer for the items above still being followed. Only a few months ago I was told by one of the assessors that they charged up \$50 per individual in each family for the produce used out of the garden, including fowl, butter, eggs, and so on. In my opinion,

since there is no exemption whatever for the wife and family of the farmer, no income tax should be charged on these small items.

I feel also that the farmers have already paid far more than their share of income tax, indirectly. I say this because farmers have been delivering their produce to the market for the past number of years at prices far below the cost of production. They have been given no credit for this. Severe losses accrued during the depression years, particularly between 1930 and 1940, and during the better years since 1942, with better prices, the farmers have been busy clearing off their debts. But while doing that, and in addition to taking care of a condition over which they had no control at all, they were compelled to pay income tax as I have already stated. We have also subsidized the world wheat market for a period of years at a price of \$1.55 a bushel for the best wheat grown in the world. If our government wants to be a good fellow with the other countries of the world, why does it not let the Canadian taxpayer pay the subsidy, rather than the farmers and principally the prairie farmers? There might have been some justification for that, but there is no justification at all for having the Canadian farmer subsidize the world wheat market. Then again we have subsidized to the extent of many millions of dollars the consumers of Canada by supplying cheap wheat for flour, so that they may have cheap bread, and may not have a cost of living increase.

Then again, in order that our soaks in the country may have their liquor at a cut price, including the water, we have also subsidized the distillers for some time past. That programme I understand is now discontinued. At the present time and for some time to come the farmers of Canada are subsidizing the British consumer to the extent of the difference between \$1.55 a bushel and the price of wheat on the world market, on a minimum of 160,000,000 bushels in 1946 and again in 1947.

Again I ask the government: Why not have all the people of Canada stand the cost of this subsidy, rather than have the farmers do it? In my opinion, the farmers are the geese in Canada which lay the golden eggs. Every attempt should be made to encourage agriculture and do everything possible to bring it into a prosperous condition; because that prosperity on the farm is reflected among all classes all across the country.

Perhaps the government may find some comfort in telling us, as the Minister of Agriculture (Mr. Gardiner) has done on more than one occasion, that the prices arranged by the government have been agreed to by the Canadian Federation of Agriculture. I feel that