

made by other mayors in cities from one end of Canada to the other. Those mayors are not members of the New Democratic Party; some of them are known Liberals and known Conservatives. They are faced with tremendous increases in costs which they in turn have to pass on to local taxpayers. The local taxpayer is finding this burden increasingly difficult if not impossible to carry.

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Thank you, Mr. Speaker; I am "on live" this time. Yesterday I and some of my colleagues, including two from the hon. member's party, met with the municipal council of Toronto to discuss some of these problems. They arise from some of the difficulties we face with a rather inadequate tax base. I think it is unfair to the municipalities that the tax base is mainly on property tax. In my opinion, that is an unfair distribution, one that should be rectified.

It is true that we have a tax sharing arrangement with the provinces whereby the government pays 50 per cent. In the hon. member's province and mine, the province pays 30 per cent and the municipality picks up the tab for the other 20 per cent. It is interesting to note that some provinces do not pass along any of the costs to the municipalities. They are not necessarily rich provinces. I refer to provinces such as Newfoundland and New Brunswick. Perhaps this is an area for a complete study of the tax base and structure within the province, which is an increasing problem.

The expenditures of other levels of government are increasing as is a percentage of our gross national product. The municipalities are being strangled. This is not only because of welfare payments but because of sewers, subways, parks and many other services which the municipalities have to provide. If the federal government became centralized and paid the complete cost, the provincial government could lose these powers. In some cases this is not even a possibility: sending money is not the answer. We have to look at the more fundamental causes of the difficulties, causes which we vividly saw when discussing this situation with the municipal council of Toronto yesterday.

As our cities grow and as a greater percentage of our population flows into the cities, a trend which we know will continue, we must reshape our whole tax structure within the municipalities and provinces. Certainly we have to do it federally. We are far from perfect. We are trying to do something along this line. That is not the only answer. Relief of unemployment is of prime concern to the government as it is to all members. I think we have to do something to provide relief. The answer is not relief by way of handouts; it is in trying to stimulate jobs. In so far as the cities are concerned, the most promising factor is the new housing starts announced the other day by the minister responsible for housing. Sixty thousand new jobs will be produced directly. This is a direct infusion into the economy.

Mr. Speaker: Order, please.

Mr. Danson: This has the greatest multiplying factor.

Mr. Speaker: Order.

Proceedings on Adjournment Motion
AGRICULTURE—CONSOLIDATION OF FARMS—
PRESERVATION OF FAMILY FARM

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, on February 3, I directed the following question to the Minister of Agriculture (Mr. Olson):

In view of the continuing and real threat to the existence of small and medium-sized farm units, is the Minister of Agriculture prepared to tell the House whether his study to encourage the adjustment of farm units to a more efficient size has taken into consideration the importance of the preservation of the family farm?

As suggested by Your Honour, this question was very general in nature and it was considered to be a representation to the minister. I now refer this question to the Parliamentary Secretary to the Minister of Agriculture (Mr. Lessard).

● (10:20 p.m.)

The farmer has always been very self-reliant. Self-reliance is not a vague political slogan; it has meaning for every citizen, for every group and for the nation as a whole. A self-reliant individual is one who co-operates with others, one who is willing to help others and is willing to be helped by them; but one who does not depend on anyone else for food, clothing or shelter. He lives on what he earns, so he is truly a free person beholden to no one. This was once the position of the vast majority of our people and in particular it was the position of many thousands of farmers.

I suggest to the parliamentary secretary that today few farmers are in a position to be self-reliant. They are faced with a further increase in farm machinery prices. The government refuses to do anything about this even though the Barber commission recommended that an investigation be made under the Combines Investigation Act into collusion among farm machinery companies. Farmers are unable to buy the machinery they need and pay the high interest rates presently charged. When they try to re-purchase land which was taken from them by government agencies ten years ago, they find in many cases that the price has increased by 345 per cent, quite apart from interest charges. This makes it impossible for the small farmer to preserve his way of life. We realize there has to be social and economic planning but we believe there must be a strong rural community, and building a strong rural community means that social as well as economic structures must be taken into account.

In the proposals for a production and grain receipts policy there is one paragraph in particular which affects every individual in this country who is involved in the agricultural economy. It is to be found under the heading, "Encourage the adjustment of farm units to a more efficient size" and it states:

The problem of farm consolidation is one which is not peculiar to the prairie region and which, perhaps, is less critical in this region than in other areas of Canada. It is therefore believed that it would be inappropriate to propose programs for the prairie region to deal with the consolidation issue in advance of the availability of programs to deal with this problem in Canadian agriculture generally. Such a general plan is in preparation.