

Income Tax Act and Estate Tax Act

on average land on the prairies, as payment on the estate tax.

I know many grain farmers in Saskatchewan who have anywhere from three-quarters of a section to 15 sections, but I certainly know of no one who has three sections of land or less, even if he is lucky enough to have an eight bushel quota, who has sufficient cash income in any given crop year that he can pay \$4,000 from his income in one year for estate tax payments. This is why I strongly suggest to the minister that in a great many cases a period of six years is not nearly long enough. I submit that 12 or 15 years, or in the odd very rare case as much as 20 years, will need to be allowed if the minister and his laws are not to cause forced sales. I submit also that extensions and allowances of this kind should apply only as long as the family farm operation remains in direct line in that family. Immediately it is disposed of to a stranger or to some distant relative it should then become subject to the normal tax regulations.

Another reason we must ensure that no estate or inheritance tax is allowed to cause the forced sale of a family-owned and operated farm or business is that this provides an ideal hunting ground for the land hogs, and there are some of them. This provides an ideal hunting ground for the speculators, none of whom I have any sympathy for. I do not think the minister will get nearly as much in taxes as he should from operators of that kind. I have no sympathy for those who buy up farms for a hobby, for fun or as a means of evading taxes. One can go into any city in this country and its outskirts and find choice farm land which has been bought up at outrageous prices by the so-called nouveau riche, the people who operate in the oil game and the finance business. Some of these people have done well in some of the professions. They buy up property of this type for fun or for the purpose of evading taxes and as a result land prices in the rest of the area are forced up.

I have urged upon the minister some things which have been mentioned many times before by a number of speakers in this debate. This does not mean I support the kind of legislation the minister is presenting. Our amendment points this out. It may be partly due to my lack of knowledge about these subjects, but after looking at the minister's tables, reading what he has said and listening very carefully it seems to me there are too many areas in which I can find no rationale

[Mr. Benjamin.]

for the proper implementation of these tax measures. I just do not understand the situation when one considers the principle of applying a tax based on ability to pay and equitability. Surely the amount of relief is too high proportionately when \$80,000 less tax, in the case where there is one child, is paid on an estate valued at \$1 million and only \$2,000 less is paid on an estate valued at \$100,000. I should like to hear the minister's rationale for this. I submit that our amendment points out this kind of thing. Surely the greatest burden of payment of these taxes should fall on estates valued at \$1 million or \$500,000.

I mentioned earlier that I wish those who are concerned about the dangers to small family farms and small family businesses—and I quite agree there were and still are dangers—were as much or more concerned about the billions of dollars of undertaxed and untaxed income in this country. I cannot help but be suspicious of those who say we should do away with inheritance taxes. I cannot help but suspect their reasoning. I fail to understand why they would propose this move in view of the fact that it would not help small farmers and small businessmen but rather those who need help the least. This proposal flies in the face of any kind of civilized society in which all men are equal.

• (3:50 p.m.)

Until the minister and the government bring in a total reform or overhaul of the federal tax structure which is based on ability to pay and is more just and fair, I for one cannot support these pieces of legislation brought in by the minister. This is only the first of many pieces of legislation which will only fiddle with the problem. This is only one of many bits and pieces of legislation which provide crumbs to the low income people. There are one or two crumbs in this legislation now that the minister has changed his mind. This may be helpful to some small family farms or businesses, but the minister and the government are perpetuating a tax system which is, from one end to the other, unjust, inequitable and unfair. It allows too many freeloaders to have control of wealth which they have neither earned nor deserve. Over the next two or three years I hope the government will do a lot of soul-searching, stop trying to be all things to all people, and bring in genuine reform of our tax system.

When some of my hon. friends to my right talk about this measure as being socialistic I can only say: Good Lord, this is unbelievable.