Income Tax Act

accumulated capital gains, which could amount to sums greater than the selling prices of the farms.

● (2110)

At least the Conservative budget recognized the need for farms to remain in the hands of third and fourth generation farmers. There are many of them in the minister's riding and in his province, yet he refused to look at Canfarm and say that it was there for the benefit of the farm community. Approximately 30 per cent of the minister's farming constituents were involved in Canfarm. The government found $40 million for the big multinational oil company, Imperial Oil, when it threatened to stop its oil projects out west. The government found $40 million at the snap of a finger in a budget which spends 25 per cent more than it takes in, but it could not find $3 million to keep Canfarm alive for the farmers in his province, as well as those in the province of Ontario.

The government could not formulate an industrial strategy to create jobs. The last promise of the Prime Minister when he was leader of the opposition was that he would fight to increase jobs; he said he would ensure an industrial strategy was developed to increase employment. But what has happened in reality? The number of people unemployed in Canada has risen to more than one million. It is a remarkable increase; it is even greater than the growth in government spending. The government should control its spending and reduce the bureaucracy, which forces on the people of Canada a metric system and a constitution they do not want. It is not always cabinet; it is the bureaucracy which controls cabinet in many cases.

When cabinet ministers make commitments which the Prime Minister nullifies, how can Parliament have credibility with the people of Canada? How can we be expected to go home and say, "The Government of Canada agrees because the minister said so", when the next day the minister says that that is not the way it will happen? That is exactly what happened with respect to the four election promises of the present government. That is what is happening in this measure, which places undue pressure upon the small business community of Canada.

Apparently small business can borrow money on the government bond issue. I challenge the Minister of Finance to provide a list of all people who have borrowed on that bond issue without conditions being placed upon them by the banks. Is the Minister of Finance aware of the fact that there are 400,000 small businessmen in the province of Ontario? Does he know how many loans have been made to small businesses because of the restrictions put on them and which the government refuses to lessen? Does the minister know how many loans have been made to the 400,000 small businessmen in Ontario? There were 788 loans made in 1978 through the Small Businesses Loans Act to small businessmen. Is the minister able to respond by indicating the number of loans which have been made under that bond issue? Why will the availability of this bond issue to small business expire on March 31, 1981? Does the minister not have enough faith in

the business people of Canada to give them at least a year to take advantage of some interest relief? The government does not want to give any interest relief to home owners or small businessmen. Before this bill is passed, would the minister allow an amendment to come forward which would extend the bond issue to at least the end of this calendar year? Then the small business community and the banking institutions would know that the Minister of Finance cares, and a bank would not have to lend money to a small businessman with the condition that should this bill not go through before the expiry date of the loan the interest rate will be 21 per cent.

We need a little compassion and concern. We should show Canadians that we are not moving completely to the left and that to be successful everything does not have to be under public ownership. The government should create a climate which allows business to function free of government pressure and without the government in its pocket. The government should realize that the country would run better if government got out of the marketplace and let business function as it was intended when the settlers first came here, as Canada and its business community grew and before the Liberal government joined ranks with the NDP to form the first socialist government of Canada.

Mr. Taylor: Mr. Chairman, I should like to deal with only two cases to follow up on one or two of the statements made by other members.

Some hon. Members: Oh, oh!

Mr. Taylor: When the conversation across the floor stops, I will be able to continue with the debate. I have nothing against the other side, so I will not speak against them. Many people in the country are very concerned about income taxes and the Income Tax Act. I thought tonight I would bring to the attention of the hon. minister and his departmental officials two cases which illustrate how frustrating it can be for Canadians when certain officials of the income tax branch of the Department of National Revenue start acting in a very officious manner.

But first I should like to give credit to the people in the Department of National Revenue who try to help people. There are others who will not turn a hand unless they are trying to work against the taxpayer. I think the Minister of Finance should know about these two cases because they are bad ones. The Minister of National Revenue knows about them, and I appreciate his effort in trying to correct them. The reason I am bringing these matters to the attention of the minister is that I feel there must be some changes to the act.

The first case is that of a widow whose husband died in Saskatchewan. She moved to Alberta. Before leaving Saskatchewan she filled in two income tax forms, one for the federal government and one for the provincial government. She received advice from someone that that was what she had to do, so that is what she did. When she arrived in Alberta, she received word from the department that she should have filled in only one form. So she immediately went to a highly