

*Income Tax Act*

deliberately because I know this is not parliamentary—on what is happening in Canada today. When he tells us that the number of wells being drilled now is comparable to that of last year, does he not realize that those corporations, those servicing units, are still operating on last year's contracts and last year's budget? What happens when there are no new contracts and the succeeding years' budgets are cut back? Surely to goodness a Canadian who is a member of the cabinet of the government of our country should accept a little more responsibility than that. There has never been a time in history when a government, perhaps unintentionally, unwillingly or unwittingly, has led our country into such a disaster which this group of people is doing at present.

The Prime Minister (Mr. Trudeau) said after the last election, when his party got little representation from western Canada, that he would listen to the elected representatives from that area. However, he is not doing that, Mr. Speaker. He is not paying attention to what we are trying to tell the government. He is allowing his ministers to continue on the disastrous course which they have chartered. It is a great misfortune that he will not listen to us and take heed. Why will he not go west himself and meet people there, instead of sending a minister who will not change the course he has taken? This means that down the road there will be no return on income tax for the Canadian government which there should have been in order to keep the country operating. We have tremendous opportunities. There is a deficit of \$17 billion on our manufactured products. We could correct that. We have one million unemployed who are not paying income tax simply because there is no job for them. I believe this tax structure is wrong.

There are errors in another area which I think should be brought to the minister's attention, errors of omission. I think that sometimes wrongs are created by omission as well as commission. The omission to which I want to bring the minister's attention is the fact that there is nothing in Bill C-54, which is 224 pages long, about the capital gains tax on family farms. It was discussed in the House today; it has been in the press.

● (1640)

Some members, particularly some in the NDP, do not care about ownership of property, but we in western Canada take pride in owning property. Everyone should realize that the strength of western Canada is in private ownership. One of the most dangerous things which can happen to any country is to allow the taxation structure to take property away from the individual.

I suppose the best example I could give, although it is deviating just a little, would be in the province of Saskatchewan where we find young farmers selling their property to the government in order to pay off debts on machinery, and then in turn renting the land back from the government.

One of the most dangerous things which can happen in any society is to allow the state to own the land upon which food is produced. We must realize that. We can look at any other

country around the world. The state may own a building and another one can be put up like it; people can move in and out of it as they wish. But, when we allow the state to start to accumulate the property we are getting into a dangerous situation. This is the course the government is leading us on.

When I say that there is an omission, I am referring to the fact that there is no mention of a capital gains deletion on farm lands being transferred from one farmer to another. Over a period of years we have succeeded in gaining a few advantages in this regard, in trying to maintain the family farm because it is the strength of our community, but we must go a long way yet. There is still the case of many farmers caught in corporations. When a corporation was set up by individuals—whether it was the father, mother, daughter or son—and land was left outside that corporation, they did not realize there is absolutely no way under present legislation for that land to be transferred without the payment of capital gains.

What about those people who are retiring and probably put their entire life's earnings into a parcel of land? When the time comes for them to retire and they either sell it or transfer it to a member of the family who is not a farmer, then someone has to pay capital gains on it. What about the situation where a couple has purchased a house, preparing for the time when they will retire, and in the interim they rent the house in order to have a little income from it? When the time comes for them to move off their parcel of land and into that house in an urban centre, not only do they have to pay capital gains on the farm, they will have to pay capital gains on the house into which they are moving. I do not think it is fair.

I hope the minister will do something about it because it is irritating and causing problems for people in western Canada who have devoted a full lifetime to the betterment of the country. They have really received precious little in return, because the dollars they made in their earlier years are not worth very much today. When one considers that they must pay capital gains on the property they sell and then in turn buy homes at inflated prices, caused by the inflationary factor, one realizes that real hardships are being created for those people. There is a lot of animosity and dissatisfaction in the minds of many Canadians. There are many things we should be doing that we are not doing. I urge the minister to be cognizant of these things. No doubt we will ask for answers as to what the government intends to do in this regard.

I hope we get a little further away from what the Deputy Prime Minister and Minister of Finance (Mr. MacEachen) said in the speech from the throne, that we would have a white paper and another study. We do not need another white paper or study. We know what is required. All we want is some action from the government to correct these anomalies which are causing problems for the people out there. The Prime Minister said that he would listen. I hope the minister carries this message to him. Let us get the country moving again. There are many opportunities for us to progress and to develop the country. There is much work to do.

The other day I noticed that employment on farms across Canada is going down. The reason for this is that farmers are