

*Income Tax Act*

I cannot understand why there is such a great rush to shove this legislation through by the end of the year. Perhaps the Prime Minister has set a deadline for the Minister of Agriculture, the Minister of National Revenue and the Minister of Finance and has said that it must go through—period. Although I cannot see any great reason for the rush, perhaps the government may be considering an election and wishes to be in a position to say that it got the tax bill through in a hurry. That may be the reason, but even from the government's point of view this may not be helpful since it might cause a good deal of flak against the government. We heard a good deal about tax reform through the years and about how great it would be. Now that we have the legislation before us, an enormously complex document of 595 pages of small print plus hundreds of amendments with the possibility of more, surely there is no hurry to rush it through in five or six weeks. It should be given careful consideration.

• (12:30 p.m.)

Having said that, I suggest there is another point which the parliamentary secretary might take into consideration. In the sections that we are now discussing the government does not seem to be particularly interested in changing the basic concept with regard to the taxation of farms and farm businesses. Certainly it will be very difficult for farms to pass from father to son and for farms to be kept in the family. It is true that the tax can be spread over a period of years, but if you are going to deplete the working capital of a family farm corporation or a family farm this will cause serious problems in carrying out the farming operation. Most farms are pretty short of working capital as it is, and certainly this kind of legislation will not help.

It has been alleged by a number of members in the House and by competent authorities in agriculture outside the House that the taxation which under these proposals is to be levied on agriculture may have the effect of not only driving people out of the farming business but of preventing younger people from entering the farming business. This has been mentioned by the hon. member for Wellington-Grey-Dufferin-Waterloo, the hon. member for Prince Edward-Hastings, the hon. member for Kent-Essex and by others who have some concept and some knowledge of what they are talking about, not to mention various agricultural organizations which have commented on the matter. It is a pretty serious problem if there is any substance to these allegations, namely, that farming may well cease to be the basic industry of Canada, which it still is, and become a very minor industry provided it is not wiped out altogether.

The government, I have noticed, is almost in a panic when allegations are made regarding our environment. If somebody says that our waters are being polluted and that in five years we will cease to have fresh water in Canada, the government virtually panics and takes great pains to check into such allegations. I am not opposed to the government doing that, but when the government decides to look into some of these matters it is highly selective. The government moves quickly on matters that have an emotional appeal to the public such as insecticide poisoning which is dangerous to people or wildlife. These matters are looked into by the government even when

such allegations prove to be incorrect after further study, as now appears to be the case with DDT. However, when much competent opinion is expressed in this case that the present proposals will put farming out of business, there does not seem to be any rush by the government to look into the matter, to hear these complaints or to send these sections of the tax legislation to a committee for further study.

It seems to me that if there is any kind of substantial or serious allegation that the basic industry of our country will be put out of business, it should be given careful consideration. There is no doubt that some of these allegations may be pretty hairy, so to speak, pretty wild. I am sure some of them are. On the other hand, there is sound and well informed advice in this regard and I think the government would be well advised to look into this advice before it moves so hastily and for no reason, as anybody can see.

The government should consider everything that is presented in the House and we should hear experts on why tax changes should be made. We do not want to drive the agricultural industry out of business. We do not want to become dependent on imported food. Just imagine anyone being told five or ten years ago that Canada might become an importer of food such as butter or milk. I gather from what the Minister of Agriculture said the other day that pretty soon we will be faced with importing butter and milk products before the end of the year because we are facing a shortage. This is something we should consider very carefully. We should consider the social implications, our international trade, our relations with the United States and many other things that are of concern in this case. For this reason, a careful study should be made.

I have touched on these matters in general and I will have more to say on them later. However, I am glad to hear that the parliamentary secretary has stood section 29 and I hope he will use his influence to send that section concerning the basic herd concept to the committee on agriculture. I also hope that this will be possible with other sections as well. As I have already said, we are dealing with many far-reaching problems with respect to the future of agriculture in this country, and I can see no reason for hastily passing these four sections without proper study when clearly they were drawn up by people who have no knowledge of farming or agriculture.

**Mr. Burton:** I was pleased to hear the statement of the parliamentary secretary a few minutes ago when he undertook to stand section 29 concerning the basic herd provision in the income tax bill, and I trust that the time allowed for consideration will result in some satisfactory solution to the problem. The parliamentary secretary is aware of some of the suggestions made by members of our party and of the fact that we did press for a change in the government stand on this matter. Contrary to the impression which the hon. member for Crowfoot attempted to leave a few minutes ago when I stepped out of the chamber for a few minutes, members of my party have been very active on this matter. I say this without in any way denigrating the efforts of some of his colleagues as well as of himself on this particular matter.

[Mr. Nesbitt.]