

Income Tax

cies and to put forward some meaningful changes to the tax laws.

I also call upon the Minister of Agriculture (Mr. Whelan) and the Minister of Finance to set up meetings immediately in order to address themselves to these difficulties. If the Minister of Finance and Minister of Agriculture have some problem getting together, I suggest the Minister of Finance should meet with the leaders of the farm organizations of this country, because I am certain both would have a great deal to talk about.

The Canadian Federation of Agriculture has listed many suggestions covering both substantive legislative changes and the correction of the many inequities now present in our Income Tax Act. I heartily concur with the federation's recommendations, some of which I should like to review at this time for the benefit of the Minister of Finance and his cabinet colleagues. For instance, let me consider the provisions to enable a farmer to assign land to an appropriate form of retirement savings plan so he may retain his funds for investment for use on the farm. We have talked about this many times. I know that my colleague, the hon. member for Swift Current-Maple Creek (Mr. Hamilton), has brought this idea forward many times in debates in the past, and I am certain such provision could also be applied to farm income. The result would be an independent, self-financing stabilization plan.

● (2207)

The agricultural industry needs an increase in the present \$1,000 per year capital gains exemption on farms to \$2,000 per year in order to recognize at least a percentage of inflation since 1971. Provisions are also needed for a statistically determined upward adjustment of valuation day values for farm land, particularly when valuation day coincided with a demonstrable period of abnormally depressed prices. I am certain that many examples could be cited to justify this request. Once again, my colleague from Norfolk-Haldimand made mention of this again tonight.

The government should extend to all grain and livestock producers arrangements for deferral of receipts as now applicable to western grain farmers. It should provide that where the taxpayer lives off the land but continues to operate his farm, and this situation exists on many occasions, his accumulation of \$1,000 principal residency option should continue. We should have a provision that if a farmer sells his lands but retains his residence, he should, at his option, be able to take the accumulated \$1,000 annual exemption at that time.

We also require a provision for a statutory right for a taxpayer to file an amended return up to two years after the original filing to protect against losses of rights in cases of overpayment of tax. I would ask that the Minister of National Revenue (Mr. Guay), who is here, along with his colleague, the Minister of Finance, take seriously some of these recommendations. Incidentally, they are not my personal recommendations, they are the recommendations of the Canadian Federation of Agriculture, which we certainly support. They include a prescribed annual forgiveness of capital gains for land

[Mr. Wise.]

retained for family farming. I have made mention of that earlier this evening, but I am not going to list all of the recommendations of the federation, although I am sure we could easily support all of them. I just hope that the Minister of National Revenue could take time out of his busy schedule to check some of the recommendations that have been made to the government time and time again by the Canadian Federation of Agriculture.

These are but a few of the recommendations, and these recommendations are worthy of serious consideration and, indeed, support. I think it is time that the government began to become aware of the concerns of the average Canadian, particularly of those in the agricultural industry who have been continuously shortchanged for as long as I can remember.

I conclude by saying that when this bill is before the House on clause by clause study, because of the fact that the government has brought forward a closure motion, that will be the only opportunity for many members to make recommendations on some of its provisions.

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, I appreciate the opportunity to speak on this bill. I should follow protocol and complement the Minister of Finance (Mr. Chrétien) on his appointment, although I must admit I am torn whether or not I should do so, because I think he was a lot more comfortable in his previous portfolio. The way the Prime Minister (Mr. Trudeau) has been grinding people through this portfolio, I see he is going to be in some difficulty, if not within his portfolio, probably in his health in a little while. I say in all honesty I have always liked this gentleman, and I do not like to see him tortured in this particular portfolio the way I know he is and must be. As a matter of fact when I saw him tonight I thought he already looked excessively tired. I can understand that; it is probably the most difficult job in the government. It is certainly a more difficult job than the Prime Minister's because I think he takes his job more seriously than the Prime Minister does.

I was in the House the other day when one of the members was addressing himself to the problem that last spring we passed a measure in this House whereby people who hold bonds now have to give their social insurance number in order to cash those bonds. If they do not have insurance numbers, or they choose not to give them, which is highly unlikely, the bank is required by the government to deduct 25 per cent from their coupons. As far as I am concerned, that is a bad measure. Aside from that, I noted the attention the Minister of Finance gave to the suggestion that the government should take away that provision in order for people to be able to go to the bank and clip the coupons, without suffering the penalty of a 25 per cent deduction. Perhaps the Minister of Finance may be imprisoned by the system in which he finds himself. By personality and conviction, he is a sensitive person. He would like to do what he can in these kinds of exigencies in which he finds himself. I am sure he will look for ways to delete the provision which penalizes these people.