

*Income Tax Act*

I see I am running out of time, Mr. Speaker. I wanted to make several points but I shall have to abbreviate what I wanted to say. My first point deals with co-operatives. Several colleagues in the House have already dealt with this question and I shall not trespass on ground they have gone over. I should like to say something about Monseigneur Moses M. Coady, the man from the Margaree Valley of Nova Scotia. He was not the father of co-operatives, and no one should say that he was, yet he was the man who probably gave co-operatives their greatest impetus in Canada. If any Canadian, dead or alive, deserves sainthood, my personal vote as a Presbyterian would be for Moses M. Coady. The "M" may stand for Michael or Mathias, because like Harry S. Truman he did not have a middle name, being known as Moses M. Coady.

He was a Roman Catholic, a very distinguished person and fought for a considerable time for many rights. Between 1949 and 1959, when he died, he fought particularly for the co-op movement. Indeed, half the speeches he made in those years were on behalf of the co-op movement. His biography describes him as a man with a soul and with a bent for poetry and idealism. I think that is a fair description of the man. Many years ago he saw the great disaster of 1929 in terms described in the book "The Man from Margaree", edited and with commentary by Alexander F. Laidlaw, which are worth repeating before hon. members of the House:

The sorry situation of orthodox economists and financiers following the disastrous market crash of 1929 he likened to the helplessness of muskrats carried down the Margaree River in a great flood which ravaged the Valley in his boyhood. The muskrats had built their houses in the river bank according to instinct and the traditions of the breed, but that did not save them—they were swept away to destruction.

Dr. Laidlaw's account of Mr. Coady continues:

He urged people to breathe life and vigour into weak community organizations just as in his young days the farmers would bring sick lambs back to health and strength by feeding them milk from a bottle. Sometimes his recollections ran to fanciful and humorous pictures that strained the imagination of his audience. "When we were boys, they used to send us out cutting alders when there was nothing else to do on the farm. Before leaving for the woods, we'd get our axes so sharp you could shave a sleeping mouse with them without waking him up."

• (8:10 p.m.)

I hope that no one in this chamber who is engaged in tax reform is in the same picture as Moses M. Coady going forward to cut alders. In his middle years, if I may call them that, he was engaged in a great movement in Nova Scotia and, I think, in other parts of Canada. It was a countermovement against young people leaving farms. The first fight in that movement was in favour of adult education and, second, to get into the breach in respect of the value of co-operatives.

I wish to again quote briefly from Dr. Laidlaw's book on Dr. Coady. I should point out that Dr. Coady did not assemble a book in his life. He was a rather vigorous person, always on the go. He would write notes on parking tickets, if he ever came across such a thing, or on whatever else was available. He got his speeches across in very powerful rhetoric which was quite rare in Canada. He spoke about the basis of the American way of ownership. I presume that these words were in a speech he delivered,

[Mr. McCleave.]

as we say in Halifax, in the Boston state. This speech could well apply to Canada:

The fundamental idea of American democracy was ownership, a land where everybody was a lord, with no lords over him and no serfs under him. The family farm was your economic and social unit. Then came the industrial revolution and the city proletariat. As time went on, the industrial revolution had repercussions on democratic ownership in the country, and a new and terrible feudalism was thrown up. We now have the double proletariat of industrial centres and open country. We have lost the idea of the family farm and ownership, but we can bring it back again through economic co-operation. The co-operative system, whether it be in the country or in the city, is only an enlarged family where all are brothers and no one exploits his fellows. This technique could enable the people of America to repossess the country that their fathers once owned. In doing this, too, they would establish the foundation for social justice and charity and give us a new and peaceful world.

I do not think that is very radical. In a way, it is rather conservative. It is an assertion of people of very humble means getting together to pool their muscle, instinct, resources and what remained in their purses after they looked after their families and the like. It does more than that. These people want a co-operative movement for the simple reason that the more you consume, the more interest you have in the particular society. That is the basis of the co-operative movement in Nova Scotia. It is now being threatened by this new legislation.

The hon. member for Central Nova (Mr. MacKay) and I had an opportunity this summer to meet 70 members of Atlantic co-operatives in Truro, Nova Scotia. I think other members also met people belonging to co-operatives. We learned more about the co-operative movement than could be spelled out in a 30-minute or 40-minute speech. We intend to carry the fight through. One principle that has to be reasserted has been overlooked in presenting this legislation. If we do not strengthen the co-operatives and give them something to which they can look forward by means of this legislation, we are simply relegating people to economic slavery. I do not believe we should do that. Co-operatives are a special means by which people can assert their right to be an owner of something. This was the biggest criticism I heard of the legislation. People are going to be denied the right to be something, in face of the very large fellows.

This legislation simply asks that \$5 million be put into the pot in return for several hundred thousand Canadians who feel they are being deprived of something. I realize that not all Canadians are co-operatively inclined, but a certain number are so inclined. I do not know the formula we must come up with when we get into the nitty-gritty of the legislation. I shall not try to deal with it now. However, we must do something to enable these Canadians to have their small share in something that is distinctively Canadian. We must be able to carry out the ideals of Dr. Coady.

If I have two minutes remaining, I would like to mention two thoughts in the field of housing and urban development. I wish to quote from a brief sent to the minister on September 1 by the Housing and Urban Development Association of Canada. This should be on the record. Although they make nine points, I simply wish to record two:

1. Large investors who would normally build for the rental market will divert funds from residential into commercial and industrial buildings.