

TAXATION

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Minister responsible for Constitutional Affairs.

It was reported earlier this week that the federal government intends to agree that the nine provinces that do not already do so can collect their own personal income taxes directly from individual taxpayers.

Is this true? If so, why does the government want to create an additional burden of paperwork and cost and an additional burden of taxation for individual taxpayers in most parts of this country?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, on June 24, I think the hon. member will remember that a discussion paper was released for the purpose of soliciting opinions on whether provincial requests for greater flexibility over their personal income tax collection could be accommodated within the tax act.

We are receiving those views at the present time, and we would be very pleased to receive a brief from the hon. member.

Hon. Herb Gray (Windsor West): Mr. Speaker, can the minister tell this House the additional cost of the paperwork and administration if the nine provinces that do not already do so begin collecting their own income taxes directly from individuals in the country?

If he cannot tell us that figure, why is he launching down this course of additional burden for taxpayers already overburdened by the taxes imposed on them by this government?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, of course I am sure that is one of the factors that will be taken into consideration.

If we take a look at the goods and services tax where we tried to have a national tax, one tax, one collection system right across this country, harmonizing that system, and if the hon. member agrees that the income tax collection system by the federal government on behalf of

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provinces saves paperwork, then I am sure he will support a national sales tax system.

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AGRICULTURE

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the right hon. Prime Minister.

Earlier today in Ottawa, the prairie wheat pools made another request for a \$1 billion cash payment to prairie farmers.

In view of the fact that the average farm income for prairie farmers this year per family is much less than the previous five-year average, I want to know on behalf of the farmers on the prairies of this country whether or not the Prime Minister will now accede to that wish and make sure there is \$1 billion payment to prairie farmers some time this fall.

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, I had a chance yesterday to meet with the prairie pools. We have had a chance over the last number of weeks to attend farmers' rallies where a lot of concern is expressed about the financial problems that farmers face. We all know that they are facing some extremely difficult times. This government has been with our farmers in the past and has been letting them know that it intends to do everything it can to support them in the future.

• (1440)

There is more to it than just financial support. We have to do everything we can at the international level, which we are doing. The Prime Minister is taking a lead in this to try to resolve the very debilitating trade war that is putting our farmers in such an unfair position.

Mr. Lorne Nystrom (Yorkton—Melville): I specifically asked, Mr. Speaker, whether or not there would be a \$1 billion pay-out to the farmers some time this fall. I asked that in view of the fact that the average income of family farmers in the prairies, even with the aid that is already there, is less than \$6,500 a year.

I would like to direct my supplementary to the Prime Minister, if I may. If there is no pay-out to the farmers this fall of \$1 billion, can he explain to the House why it is the policy of the Government of Canada to make sure