

Business of Supply

many prairie members were involved in the debate on Biafra, simply because we have poverty enough out west. We have our own problems out west and need not go as far as Biafra to find any.

There has been much talk about the huge assets of some farmers. The people down east and in Ottawa laugh at us, and say, "Why, some of these fellows are worth \$100,000 and others are worth \$500,000." These figures are bandied about, and when you speak of the poverty of the western farmer people laugh. I remind the minister that it does not matter how great your assets are or how much your land is worth, because, if you renege on your taxes for three years, all your assets become the assets of the state. How the minister expects the farmers on these pitifully low quotas to even pay taxes, let alone retain their holdings, even when those holdings are worth hundreds of thousands of dollars, is beyond my understanding.

When you foreclose on a farm you do much more than simply put a farmer off the land. These people are not only farmers; they are customers and taxpayers and contributors to the nation's export trade. Supposedly the government is most concerned about this matter and makes much of it. Nevertheless, on top of the load our farmers already have to bear, which in many cases is intolerable, we now have the proposals of Minister of Finance (Mr. Benson) contained in the white paper. One proposal is that farmers be taxed on recaptured depreciation of equipment. For instance, when a farmer trades in a machine or a piece of antiquated equipment for a piece of new equipment, he will have to add recaptured depreciation to his income. It will have to be included in his income calculations. Also, the method of evaluating basic herds is to be changed. The value of these herds has been established through income tax returns, but that value will not be taken into consideration. Apparently the value of the herd will be its market value on V-day. These are all matters which lead members of the opposition and those involved in this country's agriculture to doubt the government's sincerity in dealing with agricultural problems.

When a farmer is put out of business, you start a process of economic subtraction that seriously affects not only local merchants, but community administrators and Canadian workers all the way back to the assembly lines of central Canada. Canada's trade is vital, as is its agriculture. Perhaps the minis-

ter may think that I am prejudiced in my remarks because I come from western Canada. May I, therefore, read what the Agricultural Economics Research Council of Canada has said about agriculture. I quote:

On the basis of Canada's gross national product in 1967 of \$62 billion, agriculture and its directly related enterprises generate a total economic value to the Canadian G.N.P. of \$26 billion. (This) represents the measure of involvement of the agricultural industry in the overall economic activity of Canada—The \$26 billion figure, equal to 42 per cent of G.N.P., excludes consideration of the effect of agriculture on the demand for other products.

Finally, the Agricultural Economics Research Council concludes with the words:

—At this juncture Canada cannot afford to let agriculture disintegrate for lack of positive information, constructive policy and vigorous implementation.

This debate has been launched on the basis of unfilled storage space for grain under the jurisdiction of the Canadian Wheat Board, but this is only one facet of the whole problem. I believe the basis of the problem lies directly under the aegis of the government and the Wheat Board, and the system under which that body operates. The answer to the problem must be found in the same place. From the years 1953 to 1969 Canada's share of world wheat markets dropped from 30 per cent to 19 per cent; Canada's share of the barley market declined from 35 per cent to 11 per cent over the same period; and in the case of oats the figures relating to the same period show a drop from 51 per cent to 4 per cent. If we had a similar percentage of world trade to that which we had in 1953, and in many years since, we would be selling over 500 million bushels of wheat a year.

• (4:40 p.m.)

I wish to quote from the minister's press release of December 1, 1969:

Mr. Lang also warned that farmers may have to reduce wheat acreage. But he stressed that the sales effort of the Canadian Wheat Board has maintained Canada's share of the world market in face of stiff international competition.

I do not know where he got the information that we have kept our share of the world markets. Admittedly, in the last few years there has been a decline in world wheat trade, but when I take figures from the FAO production yearbooks, I find that the long term trend for world wheat is double today what it was in 1953. In 1953 it was 856-odd million bushels. In 1969 it was 1,605,000 bushels. Over the long haul, world wheat trade is up. We certainly do not have any evidence