

Income Tax Act

Mr. McIntosh: Mr. Chairman—

Mr. McBride: —that the hon. member for Winnipeg North Centre—

The Assistant Deputy Chairman: Order. The hon. member for Swift Current-Maple Creek.

Mr. McIntosh: Mr. Chairman, the hon. member made reference to me. I did not utter a word. If he cannot get his constituencies right—

An hon. Member: He can't see, either.

Mr. McIntosh: —how can he speak on this tax bill?

Some hon. Members: Hear, hear!

Mr. Horner: Ask for divine guidance.

Mr. McBride: It was the kind of comment, with all due respect to the hon. member for Swift Current-Maple Creek, that I have learned to expect from him and might have led me to believe that he said what in fact one of his colleagues said.

I was absolutely amazed this morning to hear on the CBC that the hon. member for Winnipeg North Centre, who is a most distinguished gentleman, was suggesting to the nation and to the House that this government had created ill-will by deciding that there ought to be a day, after the proverbial 40 days and 40 nights, when we come to vote on this tax bill. This was absolutely astounding, perhaps not to him because he is from the city of Winnipeg, but certainly to members who sit behind him and at least masquerade in this House as representing agricultural interests. We heard the distinguished new member from Assiniboia speak this morning, but anybody who knows anything about a riding like Assiniboia must be keenly and bitterly aware that it was his own party that sabotaged Bill C-244.

Some hon. Members: Oh, oh!

Mr. Horner: You sabotaged it.

Mr. McBride: If you want to talk about closure or cutting off debate, you might better suggest that the hon. member for Winnipeg North Centre ought to have a black mask and a broad axe, because that is the kind of activity he has perpetrated on the agricultural industry by masquerading his party as acting for the farmer when in fact it killed the grain stabilization bill.

Why did they do it? As the hon. member for Yorkton-Melville, who is not here this afternoon explained to me one day, it is because it did not contain what I would describe as a guaranteed income for farmers. It might be a fine thing to have a guaranteed income for Canada, but when you say it is the government that is bringing closure into the House and destroying good will I ask you, Mr. Chairman, where is the good will when measures like Bill C-176, the national farm marketing legislation, and Bill C-244, the stabilization bill, are being sabotaged and killed by the opposition to prevent some forward steps in agricultural legislation in this country?

Some hon. Members: Hear, hear!

The Assistant Deputy Chairman: Order. The hon. member for Winnipeg North Centre on a point of order.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. McBride: I will, as soon as I finish my remarks, with great delight. The point for all of us to remember is that our real concern ought not to be whether we on this side of the House make the New Democratic Party or its very distinguished House leader pleased, happy and positive toward us, members like the hon. member for Vegreville and the hon. member for Crowfoot, or even a man as distinguished—and I am glad to see him here this afternoon—as the right hon. member for Prince Albert: the point is we ought to be doing something for Canadian agriculture. That is what the aim should be. It is not whether we are making other Members of Parliament think we are very nice little boys—

An hon. Member: You are not.

Mr. McBride: —or, since the hon. member for Vancouver-Kingsway is here, boys and girls—she is a girl, a very young lady. But we ought to be getting on with the work.

Mr. Mahoney: Hear, hear!

Mr. McBride: The section before us is of considerable concern, especially when we hear what the media say in agricultural communities such as the one I represent. It should be clearly pointed out that there is provided an opportunity for a farmer to decide that he will take a deduction in a capital gain on his property of \$1,000 a year for his residence—his home—and an acre surrounding it or, alternatively, a deduction or removal from going into capital gains of \$1,000 for each year that he lives on the farm. In common with many other members, I represent an agricultural area which is not wealthy and it is a very rare situation when you find a farm increasing in value at a rate greater than \$1,000 a year. Another point is that when, and if, it increases in value at a rate greater than \$1,000 a year, it does not become taxable at 100 per cent—which is the implication you usually hear—but it becomes taxable only at half rate.

It is also extremely important to point out that amendments have been brought in and consideration is being given to enable those who have a farm unit which would increase at a rate greater than \$1,000 a year, and therefore would become liable for capital gains tax, to pay this tax over a period of five years. This is true, of course, when a death occurs. In the case of an ordinary gain—say if the farm is sold out of the family—then you have the other five year averaging provision already available to farmers.

However, Mr. Chairman, there are one or two questions I want to put to the parliamentary secretary and upon which he might comment a little later. In areas like Ontario, especially eastern Ontario you frequently have a farm unit made up of a 100-acre lot in one location, another some miles away and a third some miles away again—so that you have three different segments in the one operation—obviously the farmer cannot live in three places. The question is, should we take the bill before us to mean that he has the exemption of \$1,000 only on the