

Income Tax

particularly by small businessmen. They are snowed under by the number of government forms they must complete, and surely it is not beyond the ingenuity of public servants in the various government departments to simplify these forms greatly or to do away with them altogether. The income tax forms themselves are so complicated that small businessmen need to hire accountants to assist in their preparation. Even the ordinary taxpayer finds he cannot get all the deductions to which he is entitled unless he employs an expert to give him advice. I say: do away with the forms presently demanded by Statistics Canada, the Unemployment commission, and so on. There must surely be a way to make these procedures more simple.

I should like, now, to read into the record part of a letter from Mr. K. W. Jones of Caledonia, Ontario, who has, I believe, a legitimate complaint with regard to the government's proposal to tax fringe benefits which certain people enjoy. The letter speaks for itself. Mr. Jones writes:

I am employed by an insurance company whose practice is to provide a mortgage to eligible employees as a company benefit. This benefit is taken into consideration when the company reviews the salary of an employee and is a method of keeping the salary at a lower level. I therefore believe that taxing us on this benefit would be grossly unfair and would also force the employer to review the salary.

Listen to what he says now:

Many different occupational groups enjoy benefits which are not taxable. Employees of department stores receive discounts on purchases; airline and railway employees receive free passes, as do their families; superintendents of apartment buildings receive free accommodation; government employees receive free bus passes—

I should not have read that. That is not true.

Members of parliament, to the best of my knowledge, receive free airline tickets, non-taxable, to be used in the course of their duties. These are only a few examples of the benefits received by employees.

I think my correspondent has put up a good case. If, as an employee, he can get a mortgage at a little below the usual rate, why should he be taxed on that amount, particularly when, as he says, other employees enjoy benefits with respect to which they are not taxed?

My final point has to do with a segment of the agricultural industry which is very important in the area I represent. I refer to the tomato industry. This industry faces a major crisis in Canada, indeed the threat of virtual extinction due to the importation of large volumes of tomato solids, usually in the form of tomato paste. The single most important barrier in the way of supplying current domestic consumption from within Canada is the continued over-exposure of the industry to dramatically fluctuating world market prices and conditions. Put very simply, the industry is threatened by the dumping of cheap tomato paste from countries where labour costs are very low.

Canadian tomato growers have the ability and technical competence to produce consistently all the tomato solids required by Canadian consumers at reasonable prices. However, they have been reluctant to commit themselves to capital expenditures on processing facilities because of the uncertainties which exist in the world market. What is required is some assurance that the industry here will not be forced into bank-

[Mr. Knowles (Norfolk-Haldimand).]

ruptcy by unscrupulous dumping. Such an assurance can be made available to the industry if the government would impose an ad valorem tariff rate of 17½ per cent to become effective immediately.

The situation was explained earlier this afternoon in terms more eloquent than I can command, by the hon. member for Carleton-Charlotte (Mr. McCain) when he was dealing with this subject. Not only would such a duty as I have mentioned help the producers and the processors to expand, but it would mean a more stable price for Canadian consumers—they would not find a certain price quoted at the supermarkets one week, to be followed the week after by a price 50 per cent higher, with a subsequent reduction. Even more important, perhaps, is the number of new jobs which would be provided, not only on the farm but in the processing plants. The vegetable growers marketing board estimates there would be many thousands employed in the food industry, not only on the farm but in the processing industries.

● (2042)

I have tried to give the broad picture, Mr. Speaker. I have touched on a few aspects of the tax program of the government. I have talked about the inordinate, unfair, and ever-increasing tax burden of the taxpayers, and have pointed out that we will soon pass the point of no return. I have also touched on the capital gains tax, insurance, and protection for the farmer and processor of certain market garden crops. I hope what I have said will have some impact upon the Minister of Finance, and that when he sits down with his officials and makes some amendments shortly in committee of the whole, some of the matters I have raised will be taken into account.

Mr. James Gillies (Don Valley): Mr. Speaker, I am pleased to have this opportunity of speaking on Bill C-11 for a few moments. I will be one of the last to have the opportunity to speak on second reading since the government, in its usual, courageous way, has introduced closure. Since we have not had a budget debate it seems to me shocking that the minister is sneaking in this mini-budget. I found out this evening that not only is the government invoking closure, but the Minister of Finance (Mr. Chrétien) is putting conditions on the terms under which he will appear before the committee to debate economic policy. I have seen the Minister of Finance in the committee only once so far, and I would have thought that given his performance that time that he would want to come back to the Committee as often as he could in order to learn something about the portfolio that he is trying to administer.

I find it quite shocking that there should be a trade off between the number of times the Minister of Finance is willing to appear before an appropriately established committee of the House of Commons and how fast the opposition will put legislation through this House. It has never been intended that this sort of thing should happen in the House of Commons, and it is a shame that it is happening now.

I do not intend to dwell upon the details of Bill C-11. Rather I want to talk about one or two things which have become