

is one area that needs a stimulus. Allow me to quote from the *Globe and Mail* of June 26, 1971. The article reads as follows:

Net farm income after operating expenses last year dropped 7.6 per cent to \$1,191,000,000 from \$1,289,000,000 in 1969. According to Dominion Bureau of Statistics' reports it was down nearly one-third from its peak of \$1,774,000,000 in 1966 and at its lowest level in more than ten years. The figure represents what all farm operations have left for family living or investment after meeting their farm operating expenses and providing for depreciation on their buildings and equipment.

The farmers in Canada are suffering from overproduction, the result of which is depressed prices. Many of them are receiving less for their products than they did in 1946. At the same time they have to pay more for their machinery, gasoline and essential necessities to operate the family farm. In fact, almost everything the farmer needs to operate his farm has increased in price. In Ontario, our farmers have operated under the guidance of some 18 different marketing boards which have provided guidance in production and marketing of farm products. However, now that a decision has come forward in Manitoba that it is no longer legal to close provincial boundaries, I suspect that we will have a continuance of the chicken and egg war. There is no doubt that this may spread to other commodities. If the opposition had cooperated with the government we may have had legislation today to save many family farm enterprises. I must say that the agricultural economy of this country needs a great deal of stimulus.

Perhaps the elimination of the estate tax, through the budget, will mean the survival of some farmers—but my concern is that many of these farmers will go bankrupt and lose not only their investment but their farms if the present downward trend in farm income is not reversed and the agricultural economy of this country is not given a permanent boost. Farmers must, in my humble estimation, be allowed to operate within a supply management framework so that they do not overproduce. I do not know any other segment of our economy which has suffered a loss of one-third of its net income in the last ten years. Even if our farmers have an excellent crop year in 1971, surely it will be hard to compete with such facts as were headlined in some newspapers that construction labour in Toronto has settled for \$5 an hour. I cannot blame these labourers. If other construction trades are receiving more, why should they not receive it?

Our government, through CMHC, has been endeavouring to supply suitable housing to those on lower incomes, at reasonable prices. But it is almost impossible for a married couple with a combined income of \$8,000 or less to purchase a home when they have to pay high interest rates, heavy municipal taxes and endeavour to repay the mortgage over a 25 to 30-year period. Even with our easier money policy at the present time it is impossible in the small communities throughout my riding to obtain a mortgage for less than 10 per cent interest on a new home, and on an older home it would be higher than 10 per cent.

The other day there was an article in the *Globe and Mail* about retail lumber dealers in Ontario asking for an

### *The Budget—Mr. Rynard*

investigation in the rapid rise in lumber and plywood prices. Lumber prices have increased since January 1, 1971, as much as 40 per cent in some types and sizes, while at the same time there has been a very substantial increase in plywood prices. I should like to quote an article which appeared in the *Globe and Mail* on June 22, 1971. It reads in part as follows:

—The Ontario Retail Lumber Dealers Association in a telegram to Consumer and Corporate Affairs Minister Ronald Basford. It says: "Members are deeply concerned with spiralling prices of lumber which we consider to be beyond the point of fair financial return to mills and definitely not in the best interests of consumers.

Wholesale prices for two-by-fours have risen from about \$100 a thousand board feet at the end of 1970 to about \$135 a thousand currently, according to Alan Burnes, who does the lumber buying—

He says there is "no end in sight" in the present surge of prices and cites market comment from various sources in support of this view.

Naturally, all these increased construction costs are passed on to the consuming public, and in the end those on low incomes will be deprived of owning a little bit of Canada and a home of their own.

I would like to urge that a department of urban affairs be set up which would seek a means whereby local municipal bylaws and provincial and federal regulations could be standardized and co-ordinated throughout the country to provide the opportunity for those who earn less than the average income to become the proud owners of a small lot in this great Canada of ours. I am certain they will also become more conscientious and law-abiding Canadians. In local municipalities in my riding a person or couple is not permitted to build on less than 25 acres of land if the parcel of land is not part of a municipal plan—which virtually prohibits any person from obtaining a lot other than in the regular subdivisions.

I urge the government to investigate excessive increases in both wages and materials, and by co-operation at all levels of government to reduce the restrictions so as to permit Canadian couples, if they so desire, to own their own homes.

**Mr. P. B. Rynard (Simcoe North):** Mr. Speaker, I rise to make a few comments on this new tax bill. I have listened with interest to many hon. members who have spoken on it. One realizes, as one sits in the House, that there are always two sides to the coin. But it was interesting to note the great relief after the suspense that hung like a pall over Canada for the last six years when the budget was announced. It was like a stay of execution ever since Mr. Benson's white paper on taxation was introduced. It left gloom and discouragement among the working segments of our society. I do not have time to go into how much that cost us. People were afraid to invest; they did not know what the rules of the game were. Money left the country and people did not know who was going to drive and strive if, in the end, the government was going to leave them only just enough to get by