

was overseas. He told them that he did not get that money, but they said it did not make any difference. It was in his name and therefore he must have received it. He told them he did not get it. They said, "Why is this permit in your name?" He said, "The local elevator agent did not want to change it; he told my father and brother to leave it as it was and I was quite willing". The father and the brother were willing that they should take this grain and put it in as part of the income on the general farm. The boy asked the inspector what he was going to do about it and was told that he would be taxed for it. The boy had a quarter-section of land on that farm and the brother and father worked the whole thing. The boy kept on protesting and the inspector said to him, "Well, what was your farm worth in 1940 when you went away?" The boy said, "Not very much". The other fellow then said, "What is it worth now?" The boy said, "I would not want to sell it; it is worth about \$35 an acre". The reply he got was, "We can tax you on the whole increase". That is not true. He cannot be taxed on the increased value of the farm. The boy was shown how much it would amount to if he were taxed on the increase, and the figure was so staggering that the boy was willing to pay the \$400 or \$500 income tax to get rid of him. These tactics should not be used.

Mr. McCANN: Nobody has ever said that he could be taxed on the increased value.

Mr. CASTLEDEN: Another incident which has been brought to my attention is that of a man seventy years of age who had paid for some of his indebtedness by the crops he obtained during the war. He was too old to continue to work, and not knowing he was liable for income tax for those other years he built himself a little cottage in the town and had a few dollars left for his old age. When the income tax inspectors came into that town they brought this man in and told him how they were going to tax him. The man became so seriously flustered and upset about the whole thing that he became violently ill. He was taken to the hospital in Yorkton and died about a week later.

These farmers do not understand that they are taxable in these years. What the farmers of this country need is a simplified form of taxation. They do not want this complicated thing that has been set before them. They are sincere. I have heard farmers one after the other, after the farm income tax people were there and told them what the taxes were, say, "What is the use of our labouring early in

the morning and late at night if that is the result. I am selling my milk cows and hogs; I am going to quit production; I am not going to milk cows at this rate; I am going to leave this farm and move into town. I will rent out my farm, or I shall operate it as a mechanized farm." You have done more to break the morale of the farmers and producers of western Canada by this farm income tax than in any other way. If you want to know why butter and hog production is down and why the farmers are leaving these farms and living in the towns let me say that is the basic reason. These people have suffered for a long time; they went through fifteen years of drought and hardship; they went without proper food and clothing. Many of them have worked too hard because the young people were away at war and the older people carried on. They now find, as a result of their toil, that this is what is happening. It is just not good enough. The whole thing must be further reviewed. The whole thing needs a complete revision. I would advise the government to call in some representatives of the farm organizations, the Canadian Federation of Agriculture, and representatives from the pools and other organizations throughout the country to talk over this matter and, along with the advisers of the department, to deal with this matter. I would be remiss in my duty if I did not make this protest in the house at this time. If the government does not do something about it at once the farmers will.

Mr. ROBERT FAIR (Battle River): Mr. Speaker, speaking on the amendment to the amendment on the address in reply to the speech from the throne on February 26 last I raised objection to this income tax form that was put out all across the country. At that time I had only a few letters. Since that time I have received letters from farmers violently objecting to the form itself and, in particular, to page 5. In addition, the hon. member for Acadia (Mr. Quelch) has brought this matter to the attention of the government. I hope the Minister of National Revenue (Mr. McCann) will remember getting hot under the collar because of the remarks made by the hon. member for Acadia. Since that time the hon. member for Calgary West (Mr. Smith) has brought the matter to the attention of the government on different occasions and so has the hon. member for Weyburn (Mr. McKay).

I feel I should be remiss in my duty if I did not raise my voice in objection to page 5 of the form. We have been bombarded by different sections of the country, even by the