

*Income Tax Act*

Mr. Speaker, how can we possibly buy \$102 billion worth of products with an income of \$70 billion? As I have said quite often, instead of fiddling about under the income tax legislation with some \$70 billion which are not enough to enable our production to reach consumers, why does the government not go and get new credits at the Bank of Canada in order to relieve taxpayers from taxes they are now paying?

Could the worker who pays \$500 or \$600 a year in taxes not use these \$500 or \$600? Let us ask them. They could certainly spend them. If they were able to do so, they would spur production and create jobs. We would fight against unemployment and inflation at the same time; this would not increase prices, since it is included in those \$70 billion.

Mr. Speaker, the government is not thinking about that because economists fail to draw that consideration to its attention, and as it relies on economists, on shady tax speculators as I call them, on people who base the economy on taxation, on lunatics, on guys lost in the fog, the government is idle.

• (1430)

They are waiting for the economists. It is quite strange to hear them! A liberal economist will say to the Liberals; "This is how taxes should be levied." The Progressive Conservative economist who has attended the same university says: "That economist is wrong. As a Progressive Conservative, I have a better solution; instead of taxing A let us tax B". The Neo-Democrat intervenes: "Let us tax both. We will dispossess them as much as possible and give that money to the government". He is wiser than the economists or the political parties. He knows how to bring everybody to their senses. Down with free enterprise and long live state socialism!

Mr. Speaker, there is a limit to such deception. This is still being done today. Indeed, as long as Canada has existed, they have been meddling in the same mess and the same system to try to distribute scarcity when there is an abundance of products everywhere. But why do we not adjust our financial system to Canada's production, to the result of society's work? Production is the result of the work of labour, farmers, white collars, lawyers, professionals, in short, of all the people. But no! They try to equate all people with the total annual income, which economists do not want to disturb, because they would have to proceed with a monetary reform.

Mr. Speaker, they don't laugh at Social Credit as much as they used to but still, in certain circles, through ignorance, ill will, bad faith or simply because they do not think of it, some people still find that funny. They figure that the system is perfectly logical until these people feel somewhat cornered. When they do, they change their minds and say that something ought to be changed. In order to do so, they say: Let us take \$10 from Peter's pocket and put it in Paul's, less the cost of bureaucracy. Then, they distribute less than what they have collected. After that, they wonder why there is a lack of purchasing power among the people.

They are all shouting: Spend more, spend more. Go and tell the fellow who has \$50 to spend \$150. Can he? Spend more, they say, but with no more than you have. That is

impossible. And that is what economists are suggesting here in Canada. They say: Spend more. Where is the money to come from? I don't know, they say, but spend more just the same. That is clever.

Mr. Speaker, we propose a solution. As for income tax, we don't say "Abolish it immediately but: Begin at the beginning. All incomes under \$5,000 for married persons should be free from tax and there should be an exemption of \$500 per child, and of \$2,500 for single persons. Now, the bill before us provides for a basic exemption of \$2,850 for married persons and \$1,500 for single persons. Just imagine! A single person will be saving about 12 or 13 cents a year. Big deal! A married, childless person will save what? Twenty-five cents. Then, the government will say: See how generous we have been to the Canadian workers!

I see the Minister of Finance (Mr. Turner) is smiling, but he knows full well I am right. He introduces his Bill C-170 of which I heard someone say: The transfer, at death, of farm lands to a child requires capital gains declaration. That means that if a farmer owns a beautiful farm, he may not bequeath it to his child before his death without paying a tax. Upon his death, he may bequeath it to his son without having to pay taxes. One hon. member said this morning, I do not remember which one: Take a farmer of 92 years of age. He dies. His son of 74 inherits the farm. The grandson of 50 or 52 farms the land because his father of 74 is no longer able to do so. Still, the latter inherited the farm without having to pay tax while his son has to do so. Then the government figures it has helped out agriculture.

Mr. Speaker, what a shame to laugh at people like that!

But why, when everybody in Canada is claiming that agriculture is going bankrupt, why is nothing done to make it possible for a father to hand his land over to his son when the latter is 20, 22, 25 years old? Why do people now leave the family farm in order to go and live in the city? It is because the land is no longer providing farmers with a livelihood. People are compelled to go to work in the city to keep their farms going. Despite that, the government keeps on levying taxes as soon as the father hands over his farm to his son. Now we are told that after the father's death, the property can be transferred without any taxes having to be paid.

Mr. Speaker, this is not a solution. A few days ago I heard some Acadians from New Brunswick say that it will be fashionable within a few years to go back to the farm. In fact, it is now realized that life on the farm is much more natural than life in the chicken coops of Montreal, Hull, Ottawa or Quebec City. It is quite natural: That is not the point provided they have the right to live. There is no return to farming as at the time of the Vautrin program in 1935. Settlers were "carried up" to Abitibi in "ox carts". Mr. Speaker, this is not a return to farming. It is a return to the ox. This is not where they should go but back to farming.

To meet this objective, we should have a global policy which would enable farmers to live on the land. Would not a farmer's son live more happily there than in the Noranda mine, 8,000 or 10,000 feet under ground, where he will surely lose his health within 15 or 20 years whereas by farming and raising some livestock and by gardening he