

The Address—Mr. Fair

quite satisfied with a long-term contract; but in my opinion that is not sufficient unless we have a price that will take care of our cost of production.

I should like to say a few words concerning income tax assessed against farmers. Unfortunately the Minister of National Revenue (Mr. McCann) is not in his seat, a fact which gives me some concern because I have received a number of complaints about this matter. A short time ago—and I believe the practice still exists—offices in our prairie provinces, including the one in Edmonton with which I am more familiar, sent letters to farmers who, it was believed, had not yet exposed all their business activities. Those farmers were told to bring their permit books, their bank books, cancelled vouchers and receipts. After they and, in many cases, their wives reached the offices where they met the assessors or investigators, they found the books they had brought were not required, and that in many instances the officials in charge did not even look at them. Without any notice having been given, those officials proceeded to get from the farmers an inventory of what they had held some two or three years before, and an inventory of what they are worth today. If the act does not now contain a section making provision whereby those people would be given notice when called upon to give such information concerning net worth, then some such section should be inserted.

I have in mind one instance where a farmer was asked to meet an investigator. After being told by the official that he did not want to see the farmer's permit book or bank book or receipts, he proceeded to extract from the farmer a net worth statement. Just to show the lengths to which some of these investigators would go, this particular one wanted to know what the farmer and his family spent on liquor. I have known that farmer for many years. His reply was that they had not spent anything for that purpose. He was then asked what he had spent on smokes, to which he replied, "We do not smoke." "Does your wife smoke?" And his reply: "No, my wife does not smoke." "Well," the investigator said, "some of your boys smoke, surely." "No," replied the farmer, "they do not smoke." "Then, what did you spend on haircuts?" For years this farmer and his boys have been trading haircutting, and have had no expense on that score.

An hon. Member: Bald-headed?

Mr. Fair: Then the investigator asked, "What did you spend on razor blades?" I think that is going the limit. I wish the Minister of National Revenue were in his

seat so he might hear what I am saying. I hope he will read it, and see to it that justice is meted out to our farmers. Then many of these farmers—perhaps all of them, so far as I know—had to include in their incomes anywhere from \$25 to \$50 per member of the family per year for carrots, turnips, cabbages, potatoes, and things of that kind grown in the garden. That is a definite steal by the government. Why should the farmer, who is not engaged in truck-farming, have to do that? What other occupational group in Canada has to include such items in their receipts accounts? In many instances the farmer has a garden which is cared for by his wife; and the farmer's wife receives no pay for it. In many cases this is not worth more than \$25, because you cannot sell any of the things that are produced.

There is another thing about which we have protested. In June, 1947, the Minister of National Revenue (Mr. McCann) told us that the cost of brushing and clearing out small acreages would be allowed as a current expense. After corresponding with the Edmonton office for some time I was told that this would not be allowed, that it would be tacked on to the capital account. The farmer must pay money to have certain patches cleared out of his cultivated land, and he is not permitted to show the cost as an expense. Here again the government is deliberately stealing his money. It has no business doing that. Until other members in this house representing agricultural constituencies, and perhaps some of our legal friends from the city, take up this matter you will not have the production that Canadian farmers should be able to produce.

On another occasion I pointed out that there is something radically wrong with our taxation program and our agricultural policy in general when we have to import butter and eggs and many other things. I should like to refer again to wheat for a moment. During the 1945-49 period we received \$1,833 for our top grade wheat, but for the 1950 crop we are receiving only \$1.85 and a fraction. I venture to say that the cost of production, the cost of machinery, of farm help and many of the other things the farmer has to buy has increased by at least 30 to 40 per cent; yet he is compelled to take practically the same price for his grain although much of it is lying out under the snow.

I am not going to say anything more on this occasion except to pat on the back one of the courageous Liberal members in this house, who unfortunately is not in his seat at the moment. I refer to the hon. member for