

the direction of the national policy, not only regarding the federal Department of Agriculture but the Department of Finance and the various provincial finance departments? When both succession duties and the capital gains tax are imposed on farmers there starts a flow, not only of people from the country to the city but a flow of capital because those left on the farms move into the cities and take their share of the estate with them. Because of succession duties and debts after the farmer's death, one child stays on the farm while the other children move into the city with their share of the inheritance. This compounds the problem of migration from rural areas to the city and I do not believe it is in the interests of the country. You have people and pocketbooks, in effect, moving from rural areas to city because of the conflicting and paradoxical tax laws.

I now come to the small farm adjustment program. It is probably a well intentioned piece of legislation prepared by the Minister of Agriculture and his department, but is it not ironical that the minister is developing a program to take the marginal farmer out of the mainstream so that larger farms can become more economic and more efficient? What happens to those who work in a marginal unit? Are they to be added to the welfare rolls in the cities? We already have fantastic migration from country to city which is most likely inevitable; but the minister, in his well intentioned manner, is developing a program which will accelerate the process. It will not dilute it or cure it. The minister is inadvertently—this is the kindest word I can use—accelerating the process.

Mr. Olson: That is not right.

• (2100)

Mr. Nowlan: Has there been any survey made by his department, by Statistics Canada or by any other organ of the federal government to assess what will happen to the workers now working on this "X" number of marginal farms in Canada? I only have to look at the book I referred to earlier, *Federal Farm Credit and Related Statistics*, which was published in 1971. I refer, as the hon. member for Crowfoot (Mr. Horner) did the other night, to the interesting table that gives the value of farms across the country. The minister described how the small farms adjustment plan would apply primarily to farms with a value of between \$3,000 and \$20,000. In my own province there are over 6,000 farms in that category, and in the province of Quebec over 40,000. There are like numbers in other provinces.

I hope the minister will reply to my question. Has there been any study done by his department, by Statistics Canada or by the Department of Manpower and Immigration to show what will be the effect of eliminating these marginal farms and the workers on them? It just so happens, perhaps through an accident of history or perhaps due to a fact of circumstance, that the reality of the situation is that on those farms there are a great many good citizens of Canada who have a marginal chance to participate in the full mainstream of Canada. What will happen to them? Are they going to end up—

Mr. Olson: It is a development program, not an adjustment program.

Farm Credit Act

Mr. Nowlan: I suggest to the Minister of Agriculture that he read a series of essays by Paul Goodwin, an American sociologist. I am not so anti-American as some on the government side who may say that there is not an author in the United States who is worth reading. He wrote a series of essays, Mr. Speaker, for the Massey lectures, subsidized by the CBC and published in a book entitled, "The Moral Beauty of America." He points out that we in the western civilization who think we have all the answers and believe that our guidelines should be based on technology and efficiency should use the old railway crossing guide of stop, look and listen, because this may not be true. This may not be all for the good.

It may not be for the Minister of Agriculture and myself, who may be very temporary in this world, to stop all this. It is our children who will fully assess what I say tonight and what will be the result of our policies, perhaps inadvertently. I do not say that this legislation is deliberately designed to give a bad result. If it was so designed I would be far happier because I could point out that it was misguided. But I do not feel any confidence in the design; I do not feel any confidence in the plan.

I say to the Minister of Agriculture that this is something that is not within his scope, but he plays a part in it. Paul Goodwin has said that a case can be made out to keep the small family farm even if programs must be brought in to help stimulate it or, depending on your semantics, to subsidize it, rather than transfer that problem of production into the city where slabs of cement will confront the person from the farm so that he will have no recourse, because of his lack of training, but to go on welfare and add to the dilemma on that side of the coin.

Without going into the whole matter of the ecology and environment, I say we had better stop, look and listen to see just what our policies are doing. Mr. Speaker, I thought you were about to rise to call me to order because my time is running out. Before I sit down I want to quote from a very eminent North American. However, before giving this quotation I wish to say seriously that there are two subsidiary problems here concerning credit to the farmer, or lack of credit. There is the completely demoralizing effect that the combination of capital gains tax and succession duties has on the progressive, viable farmer today. As a result, he does not know where he is heading. Yet to give credit to the Minister of Agriculture, on the other side of the totem pole, on the lower side of the scale he has a program that he hopes will help to develop and assist the marginal farmer.

I suggest that you cannot talk about farm credit in isolation. You have to talk about making the marginal unit viable. You also have to talk about the most productive units in the country. From my part of the world we do not contribute, in net dollars or in percentage terms, the largest proportion of farm production but in our way we produce what we feel is a rather respectable share. Let us consider how succession duties will affect us. At page 37 of the booklet to which I referred earlier there is a table showing farmland values per acre, by province, over a 20-year period from 1951 to 1970. In Nova Scotia the value per acre started off in 1951 at \$112, rose over the next three years to \$114, by 1968 had risen to \$190, in 1969 to \$204 and in 1970 to \$214. The value, in terms of dollars,