

Income Tax

next year. However, the attainment of its goal depends not only on the government but on the co-operative hard work of all Canadians.

Motion withdrawn.

Mr. Deputy Speaker: I do now leave the chair until eight o'clock tonight.

At 6.30 p.m. the House took recess.

● (2002)

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS**INCOME TAX****MEASURE TO AMEND**

The House resumed consideration of the motion of Mr. Chrétien that Bill C-11, to amend the statute law relating to income tax and to provide other authority for the raising of funds, be read the second time and referred to committee of the whole.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, at five o'clock I was talking about the endeavours of the government to stimulate the economy by subsidizing huge corporations. I made the point that several large companies in Canada had received hundreds of millions of dollars from the government over the past few years, including millions of dollars in what is called the mini-budget of the Minister of Finance (Mr. Chrétien) a couple of weeks ago in this House. I pointed out how that had failed.

Despite all the so-called stimulation of the economy, we have the highest rate of unemployment in the industrialized world. That unemployment rate has not just been with us for the past year or two but for the past 15 or 20 years.

I suggested that instead of stimulating the wealthy in our economy, the large corporations such as INCO, the government should give a substantial tax cut to the low and middle income people. I notice that the Economic Council of Canada, a very reputable group, and others have been suggesting the same thing in terms of stimulating the economy.

If we did that, it would stimulate demand. People would buy more of the necessities of life. That demand would in turn stimulate the industries of this country to produce more, fulfilling that unused capacity in our economy.

Something else that concerns me is the whole farm economy and what is now happening in western Canada. If you look at the farm income statistics, you find that in almost all areas of the country farm incomes, both gross and net, have dropped over the past few years. The price of a bushel of wheat has

[Mr. Lumley.]

gone away down this year over what it was a couple of years ago. The immediate prospects for the price of grain in this country, despite a pretty good selling effort for the most part by the Canadian Wheat Board to sell grain abroad, leave a great number of things to be done on the agricultural front.

Many members, particularly from urban Canada, say this affects only the rural economy and will not do much in terms of providing jobs. I remind hon. members that the farm industry employs a lot of people. It could employ a lot more if we produced more of our own food in Canada and processed and packaged that food at home.

One need only look at the statistics for the past few years to see that Canada is rapidly becoming an importer of more and more food products. Last year, if one were to take away grain and oilseeds, we have a net deficit in this country of about 1.5 million. If this continues, projected through the year 2000 as the Science Council has done, even with grain and oilseeds Canada will become a net importer of food. That is tragic for a country with the vast acreage we have and our relatively small population.

One of the government's priorities should be to ensure that we become self-sufficient in food production. In addition to producing enough food to feed ourselves, we should be able to make a good contribution to foreign aid.

There are many food products in which we were at one time self-sufficient, but no longer. That type of situation must cease. If we had self-sufficiency, not only would more people be employed in farming but more people would be employed in southern Ontario in the fruit industry in terms of packaging, processing, transporting, and selling the fruit.

Something has to be done about the price of wheat. About four years ago the government set the floor price for wheat sold domestically at \$3.25 a bushel. That price has not been adjusted in the past four years despite the fact that production costs and the cost of living have gone up very rapidly. The minister in charge of the Canadian Wheat Board, and the Minister of Agriculture (Mr. Whelan) said recently that the cabinet is considering an upward revision in the price of domestic wheat.

I suggest that the price of domestic wheat should be around \$5 a bushel. That would enable the farmer to meet his ends. It now costs over \$3 a bushel to produce wheat. Some estimates are as high as \$3.86 a bushel. Grain today is selling at around \$2.50 a bushel. At least the grains sold in Canada should be priced at \$5 a bushel. That would be of some help to the farmer.

When we talk about farm income, we should consider the need to ensure that orderly marketing is supported to the fullest possible extent right across Canada for all farm commodities. If commodities are put on the open market, the farmer is not guaranteed a price for the commodity he is selling.

One trend now developing across the country which I find worrisome is that more and more organizations are attacking orderly marketing. The Cattleman's Association does not want