

Income Tax Act

ment and my sons who receive my assistance in setting up a farm.

Mr. Howe: I do not want to take up too much time today because yesterday I made some comments with reference to these items. However, there are one or two matters on which I should like to seek the advice of the parliamentary secretary. One of them arises from the brief of the Canadian Federation of Agriculture which contains a section headed "Guidance to the farmer". It reads:

The problems for the farmer in dealing efficiently with the problems he faces in the period of transition to the provisions of the new bill will be very real, and it is important that he be as fully aware as possible of what he should do to set his records in proper order, and in all other respects arrange his affairs to his best advantage. The problems involved in establishing valuation day records of assets, and valuations on them, are one example here.

We very much approve the government's intent to prepare working guides to aid taxpayers in such problems. These should be clear in layman's terms and widely distributed.

• (5:10 p.m.)

I hope the government takes note of the words "These should be clear in layman's terms," because that is the difficulty with this bill. It is very complicated for the ordinary individual, and in fact many of us in the House of Commons have great difficulty with it and are not sure that we understand it.

One should be prepared, we believe, directed to the specific problems of farmers.

I presume this one has been prepared, but I wonder whether during its preparation the farming organizations were asked for their advice. They are the representatives of the farmers. I would think that before a pamphlet such as is described here is sent to farmers, the farm organizations should have an opportunity to examine it and determine whether it does the job it is supposed to do.

Although section 29 has been stood, there are one or two questions about it that still perturb me. There are matters the government should take note of when deciding what to do about the section. Earlier today the hon. member for Simcoe North talked about people who raise special breeding herds to be sold for breeding stock. From time to time we hear about people who have developed outstanding animals. I have a particular interest in this matter.

One of my constituents has been breeding Charolais cattle—in fact two people have been doing so—and just the other day one of those cattle was sold for \$53,000. No doubt the income tax people have already heard about it. I wonder what the provisions in this bill would do to an individual like that, who spends a lot of time raising pure-bred stock and eventually has the satisfaction of going to a sale and getting a price—not always as high as the one I have mentioned—for an animal to which he has given great attention, keeping records of blood lines and doing all the things that lead to good breeding. This is a special case. There is another special case that should be considered. As I mentioned yesterday, there is the case of the junior farmer or 4-H club member who is given an animal each spring to rear and who sells it at a fall fair. Representatives of packing companies attend the fall fairs and bid on such animals. Generally the young person gets more than the market value of the animal. But there is one particular case that has come to my attention.

[Mr. Cadieu.]

Young people have won what we call the Queen's Guineas at the Royal Winter Fair in Toronto. I am not sure how much that amounts to in cash, but I well remember that some years ago a steer that won the Queen's Guineas at the Royal Winter Fair was sold for about \$5 a pound on the hoof. Such animals are bought by firms such as Simpsons, Eatons or meat packing companies, for promotional purposes. Sold at that price, the cash realization, taking into account the value of the prize, was around \$7,000 or \$8,000. Such things have to be taken into consideration when examining this bill.

My hon. friend from Meadow Lake and other hon. members have argued that all these sections dealing with agriculture should be stood. Personally, I do not know why this voluminous bill was brought in at this time and why a deadline was set to get it through by the end of this year. After all, it will affect the lives of practically everybody in Canada. It is important to a great many people. So far as many of us can see, only those people who will receive increased income tax exemptions and who will be taken off the income tax rolls will benefit from it. But probably by the time the bill goes through and is enacted the cost of living will have increased to such an extent that their so-called savings will have melted away.

Therefore I would add my voice to those who are suggesting that not only should these sections be stood for the time being and sent to a committee for further consideration, but I think more time should be taken to examine all sections of the bill to ensure that when it is passed it will represent the best job that can be done on tax reform.

Mr. McCleave: Mr. Chairman, for the next few minutes I will not engage in small talk on farming but deal with large philosophical questions. That will give Canadian Press a chance to go out and have a glass of water until approximately 5:27 p.m., since I became dead in their eyes as the result of a speech I made last week in this debate.

I would like to make one remark and raise several questions regarding this part of the debate. This arises out of the fact that as I travel through part of my constituency I am struck by the number of small farm places that have been vacated. In other words, I am struck by the death of small farming operations in my part of Canada. I believe that this sort of thing is also happening in other parts of the country.

To establish the bona fides for my remarks let me say that none of my ancestors for at least two generations of which I am aware, nor I myself, has been qualified to run a farm—and if we attempted to do so we would immediately find ourselves in great peril. So I am not posing as an expert on the death of the small farm, but I am posing perhaps as a philosopher on the question of why this sort of thing should happen. In East Hants one can see a prosperous community of farms and also many farms that have been vacated. Therefore we know that the institution of the small farm is imperilled.

Mr. Chairman, it is very difficult to gather one's thoughts when there is such a babble from the backbenches on the other side, even though it does not appear on the record. There is one question I wish to ask the parliamentary secretary. Granted that a new income tax act should not only be a document of reform to overcome some of the problems I have mentioned on about 15 or 20