

Income Tax Convention

bill appeals are referred to the income tax appeal board. It seems to me that a great majority of the cases under the proposed act will be estate tax cases, of course, requiring to a large degree the use of experts on a question of valuation of the estate. I suggest to the minister that the income tax appeal board may be swamped with a tremendous number of cases and that he should consider the setting up of a separate estate tax appeal board for the hearing of these estate tax cases. If we do not do that the present income tax appeal board may be simply swamped with hearings and we will incur long delays. That is all I have to say at the present time.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, this very interesting—and I am sure all hon. members will agree somewhat complicated—measure now before the house for second reading is one that requires considerable study. We in this group were very pleased when the Minister of Finance (Mr. Fleming) during the last parliament brought the bill forward for first reading in order that people throughout the country could give it that study. It is not a problem that could be studied satisfactorily in a short time. Without a doubt this bill is one of those that should go to a committee in order that the committee can hear representations, study the measure in the light of those representations and report to this house.

There is an extremely interesting feature to this bill. Although it is one of those dry as dust matters that are related to finance—a subject on which I am most incompetent to speak beyond the necessity of totalling up figures to about 500 and things of that sort—there has been a great deal of interest taken in it by women's organizations throughout the country. I am sure all hon. members have received representations from various national women's groups. I have received representations even from small women's institutes, women's clubs and local organizations. They have not simply forwarded to me a draft made by the national organization of which they are a part but have given some local flavour to their representations as a result of their experience and so on.

Before taking my seat I want to mention one of the excellent briefs which I received and which I understand has been forwarded to the Minister of Finance. I refer to the brief prepared by the Canadian committee on the status of women whose chairman is Mrs. G. D. Finlayson of Ottawa. I have read this through several times and I feel it reveals a careful analysis of the problems connected with this bill from their point of view. Looking back not many years I think

it is interesting to note that this house seldom received representations from national women's organizations and received particularly few with respect to measures of this type. I think it does indicate that the women of Canada are beginning to take a greater interest in the governing of this country and in the legislation that comes before this house and its affect on Canadians and particularly on women themselves.

As usual, Mr. Speaker, I am quite brief and that is all I am going to say at this time.

Motion agreed to, bill read the second time and referred to the standing committee on banking and commerce.

INCOME TAX**AGREEMENT BETWEEN CANADA AND BELGIUM FOR THE AVOIDANCE OF DOUBLE TAXATION**

Hon. Donald M. Fleming (Minister of Finance) moved the second reading of Bill No. C-28, to implement a convention between Canada and Belgium for the avoidance of double taxation with respect to income tax.

Mr. Macnaughton: Does the minister intend to make a statement?

Mr. Fleming (Eglinton): I do not think an extended statement is required. As my hon. friend knows, the bill is in the same form and the convention which it supports to ratify is in the same form as many which have been before the house in recent years. The purpose of the bill is to implement a convention between Canada and Belgium for the avoidance of double taxation with respect to income tax, and the establishment of rules for reciprocal fiscal assistance in the matter of income taxes.

The agreement or convention follows the pattern established in recent income tax agreements which Canada has made with the United States, the United Kingdom, Sweden, New Zealand, Ireland, Denmark, France, the Federal Republic of Germany, South Africa, the Netherlands and Australia.

Double taxation is avoided chiefly by a reciprocal system of tax credits in which the country of residence gives credit for the taxes imposed by the country where the income has its source.

The agreement contains the usual provisions limiting the taxing of trading profits to the permanent establishment rule. In addition, there are some specific provisions which are like those which have appeared in the other agreements to which I have made reference.

Mr. Alan Macnaughton (Mount Royal): Mr. Speaker, I am sure that any agreement which will help us avoid double taxation will