

Estate Tax Act

the impression should be left that the committee hurried over this bill. The committee did not hurry over any feature of the bill. As a matter of fact the committee proceeded very deliberately and as one who has had, I think, a fair amount of committee work here in the last 13 years may I say I do not think any committee has ever done a more thorough piece of work on any piece of legislation than the banking and commerce committee did on this particular measure.

In case the hon. member for Kindersley has not reflected upon it, I might draw his attention to the provisions of clause 12, subclause 5 (b) at the top of page 18, where he will see that there is no power on the part of the Minister of National Revenue to reassess after four years from the date of an original assessment or the date any property is disposed of under a disposition or agreement as described.

Mr. Benidickson: That was one of the worth-while amendments as a result of the committee discussions.

Mr. Fleming (Eglinton): No. That was an amendment made by the government as compared with Bill 248 before Bill C-37 was introduced.

Clauses 46 to 50 inclusive agreed to.

On clause 51, subclause 1—*Offences.*

Mr. Benidickson: I do not have the succession duty act in front of me, but I am sure the minister or his officials through the minister will be able to indicate to what extent there have been changes in the penalties. What are the differences in minimum penalties between what is provided in clause 51 and the penalties that have been applicable hitherto? I note in the explanatory note that this clause is new in part. Perhaps the changes might be pointed out.

Mr. Fleming (Eglinton): The relevant provisions of the succession duty act are sections 52 and 53. Section 52, subsection 1 provides:

Every person failing to deliver the statement required by section 16 is liable to a penalty of \$10 for each day of default which elapses after the time limited for delivering such statement, but such penalty shall not in any case exceed \$1,000.

The second subsection provides as follows:

Every person failing to complete the information required on the forms prescribed by the minister for reporting the particulars required by section 16 is liable to a penalty of \$10 where the aggregate net value of the property the subject matter of the succession does not exceed \$50,000, and to a penalty of \$100 where the aggregate net value exceeds \$50,000.

It is also provided in section 53 as follows:

For every default in complying with the provisions of section 18 and section 20—

[Mr. Fleming (Eglinton).]

Those are the sections pertaining to furnishing information on demand or producing documents required by the minister.

—the persons in default are each liable on summary conviction to a penalty of not less than \$25 for each day during which the default continues.

My hon. friend will see that the penalty created by clause 51 (1) of the present bill is a fine of not less than \$100 and not more than \$10,000. That, of course may be an increase over the penalty now prescribed by the Dominion Succession Duty Act. Then in subclause 2 of clause 51—

Mr. Benidickson: I was concerned only with the minimum penalties.

Mr. Fleming (Eglinton): In subclause 2 the penalty is a fine not exceeding \$5,000 or imprisonment for a term not exceeding six months or both fine and imprisonment, and there is a saving provision in subclause 3.

Mr. Benidickson: It was my understanding that there had been a minimum penalty of \$10 per day under the equivalent of 51 (1). I can imagine that could become quite a sum under certain circumstances. Under the former statute was there some method of remitting the fine under proper circumstances, or was it absolute?

Mr. Fleming (Eglinton): The statute itself did not make provision for remission. It simply provided in section 52, subsection 1, that the person in default should be liable to a penalty of \$10 a day for each day of default, but I am told that the penalty was applied only in clear cases.

Clauses 51 to 59 inclusive agreed to.

On clause 60—*Coming into force.*

Mr. Benidickson: On the matter of coming into effect, the minister cannot, of course, predict the result of further processes with regard to this legislation, but is it his intention to have the legislation proclaimed as rapidly as possible after passage through parliament?

Mr. Fleming (Eglinton): No, Mr. Chairman. This is a statute with respect to which we think adequate warning must be given to the public. It is highly important that the public should have ample warning and notice of the intention to bring the bill into effect. I pointed out on previous occasions that the bill has not been drawn so as to provide for the repeal of the existing legislation, the Dominion Succession Duty Act. That act will continue on the statute books and will apply to the estates of all persons dying prior to the date on which the new legislation is brought into effect in pursuance of clause 60 now under discussion.