

Estate Tax

legitimate interest in the terms of the bill is to pass the resolution and let us introduce the bill. They are not tying their hands in any way as to questions of principle. There will be opportunity afforded on second reading for discussion of the principle of the bill.

Mr. McIlraith: No questions can be asked then.

Mr. Fleming (Eglinton): The resolution is in limited terms. All that the house is being asked to do by the resolution is to approve the introduction of a measure in the terms of the resolution. Beyond that, the questions obviously relate to the terms of the bill. With respect, Mr. Chairman, I suggest that that is not the function of the procedures provided by the rules of the house for consideration in committee of ways and means on the resolution at this stage. Those questions will all find their answers very readily in the terms of the bill when it is introduced.

Mr. McIlraith: I think I must pursue the point a bit further, Mr. Chairman. I am not interested at this stage in the terms of the bill. We will get those in due course. I am interested in the resolution which says:

That it is expedient to introduce a measure to replace the present Dominion Succession Duty Act, to provide that the tax on property passing or deemed to pass, on death, be computed by reference to the property comprising the estate of the deceased rather than the property contained in the bequests from the estate to the beneficiaries;—

And so on. So that there will be no doubt in the minister's mind about it, may I ask him this question about the language in the resolution, and I quote it:

—be computed by reference to the property comprising the estate of the deceased—

Does that language include a reference to the relationship of the beneficiaries or does it include only a reference to the amount of property passing? Surely there can be no doubt of the relevance of that question. I have read the language right from the resolution.

Mr. Fleming (Eglinton): That question can only be answered by reference to the bill and not simply a general reference to it. It would mean a detailed reference to the terms of the bill. I ask my hon. friend to let us bring in the bill. He will have the complete answer to his question in the detailed terms of the bill.

Mr. McIlraith: The point is rather interesting, Mr. Chairman. The house is being asked to decide whether or not it is expedient that the minister be enabled to bring this bill before it, a taxing bill. In three or four sentences the resolution sets out exactly what they propose to do. We are entitled to have information about all the taxing aspects of it. We are entitled to have information as to

[Mr. Fleming (Eglinton).]

the words used and what he intends them to mean. It is quite true that we could get the bill and read it and determine the principle involved but at this stage I would point out that we cannot ask the minister any questions prior to debating second reading of the bill, and it is our right to ask the minister questions that is the whole purpose of this proceeding.

Mr. Crestohl: With great respect, I wish to point out to the minister that I was not asking for information as to what might be in the bill. I was asking for an interpretation of some words in the resolution, what do they mean: "Tax on property passing or deemed to pass". I want an interpretation, and this could influence my decision as to whether or not I was in favour of the general principle of a resolution of this kind. Is it intended to include property located or earned outside of Canada?

It is a simple matter of interpretation of language in the resolution. It speaks of property; does that mean all of the property of the deceased or all of the property of the deceased which is located in Canada?

Mr. Fleming (Eglinton): My hon. friend is well acquainted with the provisions of the present Dominion Succession Duty Act which purports to tax the estate of a deceased person who had a Canadian domicile, wherever his property might be located, inside or outside of Canada. Obviously the measure the house is now being asked to permit us to introduce is one which will provide rules with reference to the determination of what is the taxable estate of a deceased person who had a Canadian domicile. The bill will have to provide, and does provide, as does the Dominion Succession Duty Act, for the taxation of property in Canada of persons who have died and who had a domicile outside of Canada. Any measure of this kind has to take into account both these cases, just as does the present Dominion Succession Duty Act. The resolution about which my hon. friend asks refers to property, and obviously a bill of this kind would be quite incomplete if it did not make provision for both these cases. This bill will do so.

Mr. Regier: The minister will be surprised that I have some nice remarks to make about him for a change. I am very pleased to be able to congratulate the minister and the government upon the manner in which they are approaching, not only this problem but one or two other problems.

We had for too long a government which had made up its mind to follow a certain course of action and regardless of the reaction of the Canadian people to its proposals insisted on not allowing any amendments