

negligible, as I noted before. It results in a crushing social and intellectual deficit.

I may perhaps attempt a solution for Senator Simard's problem. On Thursday, March 18, at hearings of a committee of the House of Commons on omnibus Bill C-92, two specialists in tax law, Sidney Goldstein, an eminent lawyer from Ottawa, and Neil Brooks, vice-dean of Osgoode Hall law school, said that the federal government is forgoing hundreds of millions of dollars in tax revenue by prolonging the tax shelters which favour wealthy families. I quote Mr. Brooks:

[English]

• (1700)

Well, two things. One, the government should be able to produce those numbers. Number one, Revenue Canada should be publishing aggregate numbers on the tax liability of private —

He means "family".

— trusts. Number two, Stats Canada should be asked, in fact, to do a survey and discover the value of assets held in private trusts. In the absence of that, we do not know.

**The Hon. the Speaker *pro tempore*:** Honourable senator, the rules require me to point out that your 15 minutes has expired.

**Senator Corbin:** May I continue? I have three minutes. The quotation is a little lengthy. I suffered through Senator Meighen's speech, so perhaps you could suffer me a little longer.

**The Hon. the Speaker *pro tempore*:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Corbin:** Mr. Brooks says:

Let me tell you this. I do know that virtually every lawyer I talk to who handles large estates has a number of trusts they are not going to be able to roll out in order to avoid the tax on this 21-year deemed disposition. If you assume that if all the lawyers I have talked to have some number of these trusts, there are probably 500 of them across the country and if you assume that the average tax liability for them is in the order of \$500,000—

For each of them —

— that is \$250 million.

Or think about it this way. Take really conservative figures. We do know that there is likely to be \$10 billion or \$15 billion held in these trusts anyway. Let us assume that one-half to three-quarters of it could be rolled out. That leaves \$3 billion to \$5 billion of assets in these trusts subject to tax.

Let us assume that about one-half of the value on those assets is gains, which is not unreasonable at all. Let us assume that three-quarters of it gets included in your taxable income. You are talking hundreds of millions of dollars.

Mr. Brooks concludes:

I do not think there is any question that there is a substantial amount of revenue at stake. Indeed, if there was not a lot of revenue at stake, why is the tax bar so desperate to get these measures —

The measures contained in Bill C-92 —

— through? Well, because their clients are going to pay substantial tax if you do not pass this measure.

[Translation]

These two prominent experts are wondering why, in these difficult recessionary times, the government would agree to miss out on hundreds of millions in revenue, which admittedly has implications on the already crushing tax burden of the middle class. According to these experts, such a decision is inexplicable and its effects are immoral.

Senator Simard now holds the keys to solving his fictitious dilemma. It is up to him to bring pressure to bear on his caucus to get the government to address these tax iniquities.

I must remind the honourable senators, in closing, that never in the 125 years since the founding of this country had a government dared tax books and publications. The GST on books is unprecedented. We can't wait to abolish it, just like the Australian electorate recently decided to, based on their scrutiny of the Canadian experience.

Honourable senators from both sides of this house, including those who voted for the GST in 1990 "by order of Mr. Mulroney", here is your chance to straighten things out because you were obviously — there is no doubt about it — on the wrong track. Vote for this bill at second reading so it can promptly be referred to committee for an objective consideration of its merit.

On motion of Senator Molgat, debate adjourned.

The Senate adjourned until Monday, March 29, 1993, at 8 p.m.