

*Supply—National Revenue*

example of one of his predecessors with whom I was associated for a number of years and who, on occasion, was even briefer than the present minister. Mind you, he also had a very efficient operation.

With respect to the figures the minister used regarding staff and improvement in staff, I think this has been a gradual process since the early years with the exception that with the development of technology within the last five years there has existed the possibility of a great reduction in temporary staff to process individual tax forms. This work is now concentrated in the processing centre especially built for the purposes of the department rather than as formerly in one of the ramshackle wartime buildings.

I propose to deal with a number of relatively minor points, and my colleague from Carleton also wishes to address himself to a number of matters.

One of the problems of the taxation division has been the difficulty in maintaining experienced assessors due to the improper classification of assessors within the civil service. The department was a training ground for accountants who, because of the limited pay and limited opportunity for advancement, were soon attracted elsewhere. The department trained many of them and many other people who also later went to work with outside organizations as tax advisers. I hope the minister can report that a more realistic approach has been taken toward assessors by the classification bureau and the pay research bureau.

These people are not merely accountants in the ordinary sense of the word. They have a tough job to do. One of the difficulties for the department is to have an inexperienced assessor coming up against the public. His job is not something that is learned overnight. I have always admired the tact and, from the accounting point of view, the skill of experienced assessors. The tax assessor or collector, by the very nature of his work, is not the most popular of men; yet much depends on his contacts with the taxpayer.

Exemptions for donations to charitable organizations have always been a knotty problem. I am glad to see this is now being placed on a rational basis in that any organization which will continue to enjoy the status of a charitable organization must report to the minister. There must be some control. This has created difficulties in some areas as a result of lack of experience. Church donations created the biggest problem but this is

[Mr. Lambert.]

now being worked out, and I trust that in a short period there will be general acceptance of the practice that has been introduced.

The third item on which I wish to speak is really a budgetary matter, the correction of which would require a proposal from the Minister of Finance. I am speaking about the administration of estate tax, and this is not the first time I have spoken about it. I have advocated an extension of the six month period for payment of estate tax to something longer, and not within the limited exceptions that are at present permitted.

Perhaps the minister may be able to tell us about the result of the amendments made about five years ago to the Industrial Development Bank Act which were designed to alleviate the problem of the forced sale or fire sale of equity interests in Canadian companies in order to provide liquid funds to pay estate tax. Many Canadian companies have been lost to foreign ownership because the principal shareholder or shareholders had to liquidate holdings under pressure in order to provide for estate taxation. A good case can be made for widening the provisions of the act to allow time payments in appropriate cases of shares held by individuals in closely controlled companies so that the shares need not be sold.

I know there are differences of opinion on this matter, and for some reason or another the administration side of the estate tax division is reluctant to have these files continue open. However, I urge that this be done because it is one area in which we can assist in maintaining Canadian ownership of equity stock in Canadian companies.

It will be interesting to see how the proposed re-organization works out on the customs and excise side. In Edmonton it would simplify matters and cost less if the customs and excise branch facilities were concentrated within the new postal facilities. At present there is a shortage of prime government office space in the Edmonton federal building, and the customs and excise branch occupies prime ground floor space. So far as the public is concerned, however, it is quite inaccessible. The bus service is poor and I think there could be savings effected by a concentration of these facilities and staff in the new postal terminal building so as to minimize handling charges. These are all the remarks I should like to make at this time. I may have some further remarks on individual items.