

Estate Tax

I am quite sure that he would want the record to be clear on that matter.

Mr. Fleming (Eglinton): That is correct; and that bill which we found in the departmental files and which had been prepared by the former government is one that embodied the estate tax principle.

Mr. McIlraith: That is precisely the next point that I am coming to, Mr. Chairman. The minister now makes the statement that he found in the department's files a bill that had been prepared involving the estate tax principle. At that point I think it is only fair to hon. members to have them understand—and I am sure they will agree—that that bill was not before the cabinet for approval in principle at all. That was the work of departmental employees in preparing a bill for submission to their minister and for submission presumably by the minister to the cabinet and for introduction to parliament. By his remarks I would hope he does not mean to present the implication that the former government approved the estate tax principle because, as I understand the matter, it had not been fully dealt with. It may well be that they would have approved it. I am not suggesting that. However, I want to have the record straight as to what the position was.

In my remarks a few moments ago I was extremely careful to make it clear that I did not want to discuss the bill introduced by the minister last session, namely Bill No. 248. I thought the minister followed a commendable procedure in introducing that bill and in presenting it as he did for public examination and criticism or suggested amendment. I commend him for that procedure. But our difficulty today is that we can not discuss that bill and in my remarks I was careful not to discuss it. The resolution before the house—and may I say, Mr. Chairman, that we are back in the position of not having insisted on your reading it at the start of these proceedings; it is unfortunate that it was not read—is as follows:

Resolved, 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 also to consolidate, revise and simplify the tax law.

My point is this. The proceedings now before the house consist of the minister asking the house to approve or to decide that it is expedient to introduce this new measure doing away with an act that follows a certain principle of taxing property passing on death—whatever the virtues of the act—it

was based on the principle of a high recognition of the family concept of social structure in this country. To replace it by a new estate tax which provides that the tax on property passing or deemed to pass on death be computed by reference to the property comprising the estate rather than the property contained in the bequests from the estate to the beneficiaries is now proposed by this resolution.

We are not asking for the details of the bill he proposes to introduce. But before we can intelligently decide whether or not it is expedient that he be enabled to introduce his bill I respectfully suggest that we are entitled to know the extent to which the new bill will depart from that principle and only the extent to which it does depart from it. I do not expect him to give the provisions of the bill at all. However, I say that before he can get approval of this resolution he ought properly to give us that bit of information.

It can be very simply given. We know what it is in Bill No. 248. I mentioned what it was in Bill No. 248. That bill retained it in part and departed from it in part. I should like to know what will happen in the legislation he proposes; because if this principle of taxation is changed, then that is the matter this house is passing on in debating this resolution.

Mr. Crestohl: I should like to ask the minister, from the reading of this resolution, whether the intention is to tax all property which passes on death, whether the property is located in Canada or out of Canada and whether the property out of Canada was earned out of Canada. I should like to know whether it was the intention of the minister to include all that property which is not now as fully covered under the succession duty act as it would be under a new act.

Mr. Fleming (Eglinton): My hon. friend's question relates to the terms of the bill rather than the terms of the resolution. I well appreciate the fact that individual members have individual questions which are of considerable interest to them with respect to what may be found in the bill. The hon. member for Ottawa West has indicated a matter in which he is particularly interested to know what the bill provides.

Mr. McIlraith: No, Mr. Chairman—

Mr. Fleming (Eglinton): My friend the hon. member for Cartier is asking a question not about the terms of the resolution but about the terms contained in the bill to be introduced following adoption of the resolution. With respect, Mr. Chairman, I suggest that the way for hon. members to satisfy their