

Income Tax Act and Estate Tax Act

live as the big man. Mr. Speaker, one has to crawl before one can run. To have the right to live and breathe, one is born a baby, and then one grows into an adult, and any adult Canadian has the right to make a living.

Canadians who made some money should be able to distribute it among their heirs, who would then further the economy of the country. The government has no business taking all the people's money away from them to spend it on its own.

Citizens are honest and clever enough to spend their money as they see fit and to run their industries and to keep working their lands, if they want to. If the proposed amendments were adopted, they would result in the disappearance of several industries. As a matter of fact, several small businesses will be driven to bankruptcy.

Mr. Speaker, we would be wrong to adopt such a bill. Once more, let us try and make justice prevail: let us tax the big ones as much as the small ones.

It was said a short while ago that this would bring in \$200 million of which half would go to the Canadian government. In my opinion, the hon. member who quoted those figures is making a mistake. If the federal government receives \$100 million and gives 75 per cent of this amount to the provinces, it will be left not with \$100 million but with \$25 million. I suggest that it is not worth it to destroy companies and private enterprise for \$100 million. The government should therefore withdraw from this field and leave estate taxes to the provinces.

● (8:40 p.m.)

[*English*]

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I do not wish to belabour this subject at great length, but I do have an item I wish to draw to the attention of the Minister of Finance (Mr. Benson). The other evening the hon. member for Selkirk (Mr. Schreyer) suggested that, as he interpreted the schedule presented by the minister, the effective tax rate was closer to the rate for \$100,000 estate than it was to the rate for the \$50,000 estate. We in this group hope the minister will make a statement on this aspect, perhaps in replying to the amendment if he does not wish to close the debate. We might change our point of view if we had a statement from the minister clarifying this particular item. Let me suggest that the tables are not as clear as they might have been.

[Mr. Latulippe.]

Perhaps some of the responsibility for the lack of understanding lies on this side as well on the other side of this house. I, for one, would appreciate the minister explaining these tables again. Perhaps he would clarify them for me.

Let me emphasize an item referred to this evening by the hon. member for Ontario (Mr. Cafik). I refer to the arbitrary assessment by estate tax people who come out into the country and make assessments. I know of a case which involved four houses in a small prairie town. They were assessed at a value more in line with city values. The people involved were not lawyers but farmers who had inherited this property. While there may be appeal procedures available, these people felt they had as much chance of changing the assessment as stopping the sun from rising in the morning. Their feeling was similar to the feeling I have when I argue with the Postmaster General (Mr. Kierans).

When assessors on behalf of the income tax department or in respect of estate taxes come into an area they try to find out what property has sold for in the same area. They might discover that a quarter section of land was sold at one price and another quarter section at another price. This method of arriving at a value does not necessarily bear any relationship to the productive value or the overall value of a farm. I may be that someone was willing to pay a high price to obtain a quarter section or a half section in order to put together an economic unit. I feel that this practice should be corrected because it has caused a great deal of trouble and confusion in the settlement of estates. I have received many letters about this particular problem and I sometimes wonder whether I should not go into the estate planning business. I am not a lawyer, but I have learned quite a bit since I began discussing this matter and listening to speeches here.

When I receive a letter from a man who is well into his seventies asking me what he should do about his property, I wonder, as a member of parliament responsible to his constituent, whether I should act on his behalf or bring the situation to the attention of the Minister of Finance. As a member of the opposition, I have a tendency to protect the individual.

This brings me to another point. It is unfortunate there is not more estate planning done. We have many provisions under the old act and the proposed act which, if properly