

cent or 50 per cent, or whatever would have been necessary to bring in the \$20,000,000 he expects to receive from this legislation. Every province has a different taxing statute. Nevertheless we have already made a certain proposal to the provinces whereby if they step out of certain taxing fields we shall return to them from the dominion treasury what they had previously received. After all, the dominion treasury gets it from the people as a whole. It is only a rough justice. There would have been only rough justice if the various provinces had agreed to collect an additional 25 per cent or 50 per cent succession duty tax, and turned it over to the dominion. It could then have been looked upon and treated as only a war measure. It would not have been necessary to set up another department or to have put an additional burden on the Department of National Revenue. Nor would it have been necessary to think of this measure as well as the provincial succession duty acts, and thus have so many things on our minds. I am sure the minister will have sympathy with me when I refer to that point.

If one is looking after a company he must file any number of returns. I have heard of some companies who have had to file over a hundred forms in the different provinces and the dominion in order to satisfy the statutory requirements. Were any representations made to the premiers or the treasurers of the various provinces in connection with collecting a certain amount of money for the dominion?

Mr. ILSLEY: No such representations were made. If we had done so, in effect we would have been raising money on a different principle in each province. We would have had enuring to the benefit of the dominion exchequer revenues which were raised unequally and on different principles in nine parts of Canada. It would have been introducing an entirely new principle into dominion law. The hon. gentleman says that in the matter of income tax we are attempting to get the provinces to vacate certain fields, but in that case they are vacating certain fields in order that there may be completely and strictly uniform income tax in all parts of Canada and completely and strictly uniform corporation income tax in all parts of Canada. To institute nine sets of increases in succession duties for our benefit would be a retrograde step and, in my opinion, entirely undesirable. I am sure that unless we made it a dominion tax and made it clear that the provinces were acting merely as agents in the collection of that tax, we never would be able to complete agreements with all the provinces. We would have nine separate agreements to make, and I do not think anyone with any appreciation

of the difficulties would embark upon an experiment or adventure like that, leading as it would to a patchwork, checkerboard system of succession duty taxation.

Mr. JACKMAN: I realize that that would work out quite satisfactorily for the Department of National Revenue, but the department is always thinking of itself and never of the taxpayers of Canada who have to meet this imposition and who have to file these returns. It would have been much simpler for the people if they could have paid through the provinces. I agree that the present system has certain merits in that it introduces a new measure which is uniform in application throughout the whole country, but the minister is continuing the inequality in provincial taxation by making the offer which he has made to the various provinces. In effect, he is saying to the nine provinces, "If you will abandon the corporation and income tax fields, we will perpetuate for the period of the war the particular imposition that you have had in your province." He is saying, "How much did you get from that tax? Let us know what you got, and we will give you that much; we will perpetuate these inequalities." I cannot see that there is any less justice in following the suggestion which I made of having the provinces collect the succession duty and making it necessary to file only one return, than there is in containing the old corporation and income taxes under the offer which has been made. Of course, an alternative offer has been made which is once again an indication of the inequality that exists as between the provinces. The minister has agreed to give them the amount which they use to service their provincial debt. I cannot see that the minister has made out a case at all. If he had done as I suggested, it might easily have been looked upon as a temporary war measure and the field would have been left to the provinces.

Mr. HAZEN: I would direct the attention of the minister to subsection 1 of section 8 which refers to surrogate court fees. There is no definition of the words "surrogate court" in the bill. So far as many of the provinces are concerned, these words have little meaning.

Mr. ILSLEY: I think that is a good criticism. In Nova Scotia no one knows what a surrogate court is; they call it the probate court. There should be some definition to the effect that "surrogate court" includes all courts discharging these functions.

Mr. HAZEN: Either a definition should be given, or the section should read "probate or administration fees", or something like that.