

Estate Tax

estate that will be taxable. I am simply pointing out to the minister that I think that matter will require very serious study.

If the peculiar situation in the province of Quebec with respect to husbands and wives who are common as to property has been given consideration, then the problem will be solved, but I simply rise to draw the minister's attention to the fact that there is that danger in the province of Quebec. Estates generally may be \$10,000 greater. They cannot be any more because the gift cannot exceed \$10,000 but the value of the estate may be \$10,000 more when the deceased really thought he had given his wife a gift of \$10,000 thus reducing his estate by that amount. That is the only observation I want to make to the minister.

Mr. McIlraith: Does the minister want to deal with the point?

Mr. Fleming (Eglinton): Not until everybody has finished speaking.

Mr. McIlraith: I regret that the minister did not see fit to make a fuller statement in introducing the resolution. I say that because in his budget speech when he tabled the resolution he set out the procedure he proposed to follow and pointed out that the resolution would afford the house an opportunity for debate on the general principles underlying the proposal.

My difficulty is this. Legislation on this subject was first proposed by the former government. After the election of June 10, 1957 a resolution and bill were introduced, the bill being presented for study by members of the House of Commons and the general public, a procedure that I think was quite appropriate in the circumstances. But we are now in the position that we are in the committee stage on the resolution preceding the new bill which we have not yet seen. The advantage of being in committee is that it is possible to ask the minister questions and to approve or reject the principle—I am quite sure it will be approved—of having a new bill brought forward for examination and action by the house.

However, we are left in the position that when the house adopts the resolution it will have approved a principle about which it has not been given information by the minister presenting the measure. If we treat the matter on the basis of the bill introduced last year, we then find ourselves discussing a bill that may or may not be the one coming before the house, but if we do not attempt to discuss that bill we lose our right to ask the minister questions until after we have approved the principle of the new estate tax

bill and it has been presented for second reading and referred to the banking and commerce committee.

Therefore the fact that the minister has made such a brief statement leaves the house in a bit of difficulty. I should like to ask the minister if he would tell us at this stage whether or not there are any material changes in the principle affecting allowances for the amount of duty payable to the provinces because that would be an important departure in principle with respect to the financial arrangements.

There is also one point that bothers me considerably. The whole principle of the act now in force is based on a concept that I think members of the house and certainly former governments were very careful to preserve, namely the recognition of the family unit as the basic unit in our social structure.

Whatever weaknesses the years of experience with the former dominion succession duty act showed, and weaknesses were revealed over the years by administrative experience, I think all hon. members would agree that that principle of making special and advantageous provision for those persons to whom the decedent was obligated by reason of family relationships was a good principle. This principle was observed in the bill introduced last year to the extent that the amount of exemption allowed in any estate was increased where there was immediate family relationships, but that was departed from when they dealt with the rates of duty.

I think the minister at this stage would wish to clear up the point as to how far the bill he proposes to introduce when this resolution is passed preserves that principle, because that is a principle that should be dealt with at the resolution stage. I trust he will not mind me asking him to clarify that point at this stage. I believe that principle is really quite important, because the more one works and concerns oneself in the House of Commons with the issues that arise here from day to day, whether on this type of measure or a defence measure or whatever it may be, the more he is impressed with the fact that the type of struggle arising in the world today is concerned with this basic concept. All members will I am sure agree that we should concern ourselves with attempting to deal with our legislation in a way that will preserve and strengthen the family unit as the basis of our social structure.

I trust the minister will not mind my stressing the point a bit at this stage. I wonder if the minister would care to indicate any other changes in principle in