

*Succession Duty Act*

instances to permit them to live at ease, and in other instances in large enough quantities to be of great assistance—and I am not attacking the fact that dependents receive benefits from the estates of persons who die—are properly taxed. I believe that when we approach this source of taxation, instead of turning to the sales tax and doubling it, we are at least following out Liberal principles and, as I understand it, the principles enunciated by the great party to which the hon. member for Rosedale belongs, namely, that in a system of taxation one ought to strive to let the burden rest most heavily on the people best able to pay.

The dead man is not able to pay anything; he is through. But his dependents who take substantial fortunes are under this legislation substantially taxed. There is a mounting schedule, just as there is in respect of the income tax. I believe, therefore, that as a source of revenue, and based on the principles which have been described to us, this tax must commend itself. We ought to be willing to submit to it, in these stressed circumstances. It ought to be commended rather than reprobated, because every time we reprobate a tax, and then impose it, we begin to slow up contributions to the Red Cross, and contributions such as those which are to be made in connection with the victory loan to be subscribed shortly from our people. I wish to record myself as being quite out of line with the thoughts of the hon. member who has spoken.

Mr. JACKMAN: The hon. member is entirely in line with them.

Mr. SLAGHT: It ought to be understood that in this instance we are seeking to tax unearned increment, and revenue which has come to people who had no part in producing it. From the point of view of the man in this world who must struggle to get along and who has very little to live on, this source of taxation is one of the fairest, best and finest to be devised—if, indeed, one can call any method of taxation fine or fair.

Mr. JACKMAN: If I may be permitted to answer—

Mr. MARTIN: I am rising to speak right after the hon. member for Parry Sound because if he had gone one step farther I would have been able to support him fully. I believe either the hon. member for Rosedale has not fully stated his case or the hon. member for Parry Sound has not fully understood the case as stated by the hon. member for Rosedale.

Mr. JACKMAN: It is the duplication to which I object.

[Mr. Slaght.]

Mr. MARTIN: What the hon. member for Parry Sound should do is to join with many others in saying that the time has arrived in Canada when the fiasco of the Rowell-Sirois report should not have been permitted to exist, and when the whole field of taxation that is causing some concern and proving burdensome to many thousands throughout this country should be rectified. This is fair legislation. The argument introduced in support by the hon. member for Parry Sound is sound. But this condition of having nine provinces and a federal government in the same field is not sound. To the extent that that expresses the view of the hon. member for Rosedale I unhesitatingly, as a member from a constituency in Ontario, say that not having succeeded in January in meeting that problem, we cannot delay dealing with it courageously and completely very soon.

Mr. JACKMAN: The observations of the hon. member for Parry Sound do not differ from the sentiments I had in mind, if not the sentiments to which I gave expression. I consider that succession duties or inheritance taxes constitute one of the fairest taxes which can be placed upon a people in Canada or in any other country. I am much more interested in seeing that men have some incentive to put forth their best efforts during their lifetime rather than to leave a large fortune, which, in many instances, is not desirable.

I would, however, ask the minister whether any discussion took place with the premiers of various provinces as to whether they could collect some additional succession duties or inheritance taxes through the systems which at present obtain in the respective provinces, instead of drafting a new piece of legislation which the minister promises us will last long after the war, and thereby make matters so difficult that it is almost impossible exactly to understand one's position.

Then, one cannot help having in one's mind what can happen if the legislation is not fairly administered. I have no fears in that regard in respect of this particular measure. We know, however, that in the provinces certain inadvertencies, if they may be so described, sometimes occur in the filing of probate papers, and matters of that description. Something may have been left out. Then there are penalties of \$10 a day so long as the default continues. Therefore in the aggregate one does not know where he stands, and he is simply at the mercy of the taxing authorities. There have been a number of cases like that, so much so that one scarcely knows where he stands.

I realize that the minister may say it was impossible to approach the various provinces and ask that they increase their rates 25 per