

*Income Tax Act*

**Some hon. Members:** Shame.

**Mr. Lambert (Edmonton West):** This is why I find the attitude taken by government backbenchers so incomprehensible. They are supposed to represent their constituents, here in Ottawa and, as well, they represent the people at large. Notwithstanding what the Minister of Finance has said, it is an undeniable fact that the people in those provinces where succession duty applies, or where one is going to come into force, are going to pay an additional tax, a new tax. Not one hon. member opposite can deny that. Certainly, I defy the hon. member for Winnipeg South Centre to gainsay that statement.

**Mr. Osler:** Mr. Chairman, may I have the floor on a point of order.

**The Deputy Chairman:** Order, please. The hon. member for Winnipeg South Centre is rising on a point of order.

**Mr. Osler:** My point of order is this. I was invited to say something, then when I rose in my place I was shouted down. I think the committee was left with the erroneous impression that, (a) I did not know what the people for Winnipeg South Centre wanted and, (b) for some reason they did not want this bill passed. Let me tell the hon. member I have been back to my riding quite often recently and the message that comes through loud and clear is that the people are fed up with the length of time this bill has taken. They want it passed, even though it may not be a perfect bill.

**The Deputy Chairman:** Order, please. The Chair does not think the hon. member should take advantage of rising on a point of order to make that point. He should seek the floor if he wants to make any comments.

**Mr. Lambert (Edmonton West):** Mr. Chairman, I was hoping that the hon. member would be moved to make a speech, not to raise a spurious point of order.

**Mr. Osler:** You should not make statements like that.

**Mr. Lambert (Edmonton West):** I invite the hon. member to read an editorial which appeared in the Vancouver *Sun* for November 26. It quoted the main point made by the Minister of Finance and reads:

Mr. Benson's main point is that "the uncertainties of the current economic situation argue against delay".

That is what the hon. member for Winnipeg South Centre said. It continues:

"We would accomplish nothing by a further unsettling period in anticipation of tax reform," he said. He also argued that his tax bill is incapable of separation into key components because of the "financial inter-relationship" among them".

That is wrong. I have shown how the clauses can be carved up without any difficulty. The editorial continues:

This is nonsense. Business planners and business advisers have told the minister almost unanimously that they can't understand many of his reforms let alone foresee how they might adjust to them. Members of parliament are even more uncertain about the consequences.

How true that is. Even when we asked the advisers to the parliamentary secretary yesterday, we could not get any answers because they were uncertain.

[Mr. Lambert (Edmonton West).]

• (4:40 p.m.)

**Mr. Osler:** What are you trying to sell?

**Mr. Lambert (Edmonton West):** Certain government supporters have no idea as to what this legislation will do. They have no idea about these interrelationships.

**Mr. Gibson:** How does the hon. member know that?

**Mr. Lambert (Edmonton West):** I would say that the hon. member for Hamilton-Wentworth is possibly one of the most ignorant of the implications of the provisions of this act.

**Some hon. Members:** Oh, oh!

**The Deputy Chairman:** Order, please. I think hon. members on both sides of the committee should let the hon. member make his speech and, at the same time, give the Chair a chance to hear what is being said.

**Mr. Gibson:** The hon. member is being carried away.

**Mr. Lambert (Edmonton West):** Mr. Chairman, some of the statements hon. members on the other side of the committee make have no more effect than the cawing of crows that sit on the wire fences on the prairies. Be that as it may, may I conclude my remarks—

**Some hon. Members:** Hear, hear!

**Mr. Lambert (Edmonton West):** —by saying that although we support this section, we want it clearly understood that there are reservations about it. I hope the hon. member for Ottawa Centre, the former Solicitor General, who applauded when I said I was about to conclude my remarks, will take the time to explain to his constituents the suggestion that there is not to be a new tax for them, that there is to be a credit system between Ottawa and the province of Ontario whereby there can be an intercredit with regard to whatever is paid on capital gains, that is, on the deemed realization on death, and the succession duty that may follow. I know he is a competent solicitor and in his former portfolio must have been familiar with this problem. I am sure he will be able to explain to the satisfaction of his constituents how it is that additional taxes are no longer additional taxes. They are, somehow, to be melted into something else. Now you see them, now you don't. That is the precise effect which the government wants to bring about with regard to the capital gains tax and the continuation of succession duties in the provinces.

[Translation]

**Mr. Leblanc (Laurier):** Mr. Speaker, the hon. member for Edmonton West has made much of the estate tax formerly levied by the federal government, except that in some cases the government handed over the amounts levied to these provinces.

We are talking here in terms of approximately \$120 million of which 75 per cent was given back to the provinces. The point raised by the hon. member for Edmonton West has no special merit. On the other hand, I respect him very much for he sat with many of us on the Standing Committee on Finance, Trade and Economic Affairs. He contributed much to the debate and we needed his