

respect of the matter of invading the tax field. Personally I had hoped that an effort would be made to have the provinces vacate the field of succession duty taxation. While this procedure would probably bring no relief to the taxpayers, I do believe the tax would be assessed, levied and collected on a much more even and equitable basis than it can be where the tax is assessed and levied against property by one, two or perhaps three jurisdictions. Of course in centralizing the tax there would be some saving in costs of collections and in administration. Probably not much more than that could be hoped for. Nevertheless by reason of the decision of the government we are obliged to consider the position as it is, not as we should like to have it.

I take direct issue with the minister's statement that the field had not been covered fully by the provinces. I am content to leave the matter there because he has the power to proceed, notwithstanding anything I may say. It is, however, my firm conviction that the provinces have covered this field of taxation fully and that it ought not to be invaded by the federal authority without the gravest consideration. The invasion of that field and the levying of further taxes in addition to those levied by the provincial administrations can be justified only on the basis of the doctrine of necessity. When one comes to weigh this doctrine in the balance and investigates what the minister proposes; when one investigates how much new revenue will be obtained from this source; when one has regard to the other sources of taxation which are open to the minister; when one has regard to the fact that new taxes which have been imposed by this and previous budgets will yield much larger sums than were estimated, I submit that he might very well have left this field to the provinces, for a period of time at least. I think the minister will agree that it will be some time before any large amount of money will accrue to the treasury from this source, a time which could have been occupied in exploring the whole position and endeavouring, if possible, to arrive at an accommodation.

The minister stated in effect that the rates imposed by this measure, when taken with the rates imposed by the provinces, brought the total levy up to within striking distance of those imposed in the United Kingdom. With that statement I am in agreement, but the two situations are somewhat different. In England the succession duties have been raised from time to time, not only for the purpose of producing revenue but with the social idea in mind that by levying such taxes some of the old landed estates which had existed through generations and, in some

instances, through centuries would be broken up. That is a condition which does not obtain in Canada, and no such object can be said to lie behind this measure. Since the days of Elizabeth, since England became a great maritime nation, family wealth has been passed on from parent to child over long periods of time. That has been unearned wealth, but that condition does not obtain in Canada, at least to the degree which it does in the United Kingdom. A comparison cannot be made between the situation which obtains here and the one which obtains in the old country.

I do not, however, wish to base the position I take to-day upon the suggestions to which I have referred. I ask hon. members who are doing me the honour of listening to me to direct their attention to the future, to the time when this war shall have ceased, to the time when this country shall have resumed the paths of peace, to the time of reconstruction. Every dollar available for investment must be used if we are not to have the return of the condition that existed subsequently to the last war and of the results of the economic war which culminated in the month of October, 1929. In other words, I am endeavouring to advance the theory that there should be retained in Canada for the benefit of future generations a substantial amount of capital wealth which would be available to carry on the peace-time pursuits of industry and commerce in order that in the days which are to follow this terrible conflagration through which we are now passing we may be relieved to a large degree of the miseries which were attendant upon the periods to which I have referred.

I know it is not popular, especially with certain hon. gentlemen in this house, to defend capitalism, and I am not going to constitute myself a defender of that system. I would, however, point out to hon. gentlemen that we do live under that system. One of the objects of the dictator of Russia under the communistic system, one of the objects of the dictator of Germany under the national socialism system, and one of the objects of the dictator of Italy under fascism in effect is to destroy the capitalistic system. What do they offer us in its place? They offer us national regimentation. If you destroy the one, the other is the only alternative left open to you. I visualize the alternative that will be presented to Canadians in the event that this system of capitalism perishes.

I hope I have arrived at a time of life when I can reason things out with myself, when I am still not too old to learn, when I can commune with myself as I ask hon. members to commune with themselves. I ask them to consider the alternatives; I ask them