

Estate Tax Act

Hon. George H. Hees (Minister of Transport): Mr. Speaker, I thank the hon. member for advising me of his intention to ask this question. The matter of utilizing atomic power for icebreaking is and has been under active consideration by the Department of Transport since I first announced this last January. A committee was set up to review progress in this field in other countries and also progress made by Canadian commercial companies. Positive progress has been made in line with the desire of the government to achieve nuclear powered icebreakers for Canada without spending millions of dollars to duplicate research in this field otherwise available to us. The government is fully aware of the value of this new form of ship propulsion for the development of our Arctic region.

ESTATE TAX ACT**NEW BASIS FOR ASSESSMENT OF
SUCCESSION DUTIES**

The house resumed, from Wednesday, August 6, consideration in committee of Bill No. C-37, respecting the taxation of estates—Mr. Fleming (Eglinton)—Mr. Sevigny in the chair.

On clause 1—*Short title.*

Mr. Benidickson: Mr. Chairman, we did not get very far when the committee last considered this bill. That was on August 6, and the debate can be found on pages 3166 and 3167 of *Hansard*. It makes it difficult when one's remarks are interrupted, particularly at this stage of the game when it is the desire of all, I think, to avoid repetition. I do not want to repeat the remarks I made then. I did say that we had before us, as I think all will admit, a better bill than Bill No. 248 introduced at the last session, which was made available to the public for criticism. It just goes to show that advice from outside bodies and members of the general public expert in the fields of law and accountancy is of considerable value.

The bill was discussed in the standing committee on banking and commerce, and I think there will also be agreement that the amendments now before us and which will be moved as we proceed, particularly two of them, greatly improve the bill. However, I said in the committee and previously in this debate that the bill could still be improved. Of course that is true of all legislation, but I felt that this bill particularly could be improved if it were to be examined by the same people who commented on Bill No. 248 of last session, and that it would have helped us if we had received their comments before

we were forced to hurry along with the consideration of the bill in the banking and commerce committee.

The house knows, of course, that the bill will now pass to the Senate, and I have no doubt that the Senate will refer the bill to its committee on banking and commerce. If outside organizations want to make representations I hope that committee will not deny them the opportunity. Therefore there is still the prospect that further recommendations concerning the bill may reach this house.

Since the banking and commerce committee concluded its consideration of the bill I believe we have all received a brief from the Canadian federation of university women. I told our banking and commerce committee that it was obvious that these people would like to make representations. They have taken a great interest in estates legislation over the years. I told the committee that the Ottawa officers just happened to be on vacation during the two or three days when we were having double sittings of the committee with respect to the bill, and that I quite believed they were not aware that we were sitting.

This particular brief brings some very important points to our attention, matters that have greatly exercised the women of the land with respect to estates for some years. Of course they readily agree that speedier and less expensive appeal procedures before the income tax appeal board will likely contribute to the settlement of estates within a shorter period of time. They also indicate that some simplification in the assessment of tax will make it possible for estates to be settled and distribution to be made much earlier than was possible under the succession duty act; but they still point out that the fundamental effort they have had in mind over the years is not given much recognition in the bill.

I should like to quote one or two excerpts from their brief. The Canadian federation of university women have this to say:

We are distressed to note that in spite of repeated submissions by thousands of Canadian women, no recognition has yet been made of the marriage partnership. We reiterate that "one-half of a deceased marriage partner's estate should, if it passes to the surviving partner, be considered for tax purposes as earned by the surviving partner and not therefore subject to estate taxation."

They go on to say with respect to this point:

Today the number of working wives is constantly increasing. These women contribute, in dollars and cents as well, to an estate which is still considered for purposes of taxation as belonging solely to the husband. Of course a few of these women are interested in building estates of their own and keep their earnings separate for that purpose, but the large majority feel, and rightly so, that such an accounting negatives the partnership in which they are proud to participate.