

HOUSE OF COMMONS

Tuesday, February 15, 1955

The house met at 2.30 p.m.

VACANCY

Mr. Speaker: I have the honour to inform the house that I have received a communication from two members informing me that a vacancy has occurred in the representation, viz.:

Of Robert Fair, Esquire, member for the electoral district of Battle River-Camrose, by decease.

Accordingly I have addressed my warrant to the chief electoral officer to issue a new writ of election for the said electoral district.

BANKING AND COMMERCE

FIRST AND SECOND REPORTS OF STANDING COMMITTEE—CONCURRENCE IN FIRST REPORT

Mr. David A. Croll (Spadina) presented the first and second reports of the standing committee on banking and commerce and moved that the first report be concurred in.

Motion agreed to.

INCOME TAX

AGREEMENT BETWEEN CANADA AND IRELAND FOR THE AVOIDANCE OF DOUBLE TAXATION

Hon. J. J. McCann (Minister of National Revenue) moved for leave to introduce Bill No. 124, to implement an agreement between Canada and Ireland for the avoidance of double taxation with respect to income tax.

Some hon. Members: Explain.

Mr. McCann: Mr. Speaker, the purpose of this bill is to give legal effect in Canada to the agreement entered into between the government of Canada and the government of Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, which agreement was signed at Ottawa on October 28 last. This agreement, in line with similar agreements which we already have with the United States, the United Kingdom, New Zealand, France and Sweden, has as its purpose the avoidance of double taxation with respect to trading profits, and also dividends, interest and royalty payments flowing between Ireland and Canada. It systematizes taxes

imposed on other types of income, including salaries, pensions and annuities which might be taxable in both countries.

Provision is also made for tax credit and for the exchange of information. In addition, certain special provisions are made such as one which provides that profits from the operation of ships and aircraft will be taxed solely in the country of the residence of the operator, and another designed to foster cultural interests between the two countries which provides that professors or teachers from one country will be exempt from tax while visiting the other country for a period not exceeding two years. Students and apprentices from one country receiving education or training in the other country will be exempt from tax in that country on payments received from home for maintenance, education or training.

Motion agreed to and bill read the first time.

SUCCESSION DUTY

AGREEMENT BETWEEN CANADA AND IRELAND FOR THE AVOIDANCE OF DOUBLE TAXATION

Hon. J. J. McCann (Minister of National Revenue) moved for leave to introduce Bill No. 125, to implement an agreement between Canada and Ireland for the avoidance of double taxation with respect to succession duty.

Some hon. Members: Explain.

Mr. McCann: The purpose of this bill is to give legal effect in Canada to the agreement between the government of Canada and the government of Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to duties on the estates of deceased persons. The agreement was signed at Ottawa on October 28 last.

This agreement is based on the principles established in the present succession duty agreements with the United States, the United Kingdom and France. The principal purpose of the agreement is to provide for a tax credit and for exchange of information.

The agreement provides that the country of domicile will allow a credit against its duty in respect of property taxed by both countries. The agreement also provides that the two countries will exchange information