

*Succession Duty Act*

deceased member would have liked. Then they contemplated erecting a tombstone, and again, while I believe the succession duty officers were willing to make some allowance, what they were willing to allow was not at all adequate for the stone the family wanted. What does the minister include in this expression "reasonable" as to a lot in the cemetery and a stone on the lot?

Mr. ILSLEY: Reasonable funeral expenses are allowed. Whether the commissioner will allow the expense of a tombstone appropriate to the value of the estate is a matter of administration.

Mr. HANSON (York-Sunbury): Yes; it all depends on where you die, what reasonable funeral expenses are. If you die in Florida you pay triple rates; if you die in Fredericton you get a decent funeral for about one-third.

Will the minister give some consideration to my suggestion to incorporate at a later date, next year perhaps, if he will not incorporate it now, a provision with regard to life insurance, made payable to the Receiver General of Canada, or earmarked for succession duty. Surely it is a reasonable suggestion. We are quite used to it in New Brunswick; a good many people have already made that arrangement; it works well, and there is no great loss of revenue to the province. I have myself made a provision of that kind, and now I am afraid I shall have to double it.

Mr. ILSLEY: I am informed that formerly they had that provision in Ontario, and repealed it.

Mr. HANSON (York-Sunbury): Why?

Mr. ILSLEY: Apparently they had it in New Brunswick too. I do not know why they repealed it in Ontario. The reason which would occur to me is that the proceeds of a life insurance policy, no matter to whom payable, are part of the estate for succession duty purposes. They are what the man who died bought.

Mr. HANSON (York-Sunbury): Of course he has made the province the beneficiary.

Mr. ILSLEY: Yes, but that does not affect the principle that the proceeds of that policy, if the premiums were entirely paid for by him during his lifetime, are his property passing on his death, whether they pass to his wife or to his estate or to the province.

Mr. HANSON (York-Sunbury): Is there not some practice in England with regard to this matter?

Mr. ILSLEY: I do not know.

[Mr. MacNicol.]

Mr. COLDWELL: I am sorry I could not be in the chamber this afternoon when the second reading was under discussion, but I happen to be on a sub-committee of the defence of Canada regulations committee, and therefore I shall have to leave what I should like to say until, probably, the third reading. I have, however, been listening to the discussions now for some little time, and I am wondering what is really the intention of part, at least, of this committee, whether it is to raise revenue for the war or to find as many methods as possible of escaping payment of revenue under this bill. I hope the minister will give no pledge on behalf of the government that this will be only a temporary measure.

Mr. ILSLEY: No, I won't.

Mr. COLDWELL: In my opinion these duties are long overdue, and I regret that they are succession duties; I think they should be death duties, and that the taxes should have been collected on the estate according to its size.

Mr. JACKMAN: It is a combination of death and succession duties.

Mr. COLDWELL: It is a combination. It is a compromise, as the minister said a little earlier. I have admired the way in which the minister has refused to consider changing portions of this and some similar bills which have been before the house, at a time when we need revenue to the extent that we need it now. I believe that if there is one place where we ought to be looking for money, it is from the large estates which are derived from the accumulated efforts of the majority of the Canadian people. I have been sitting here for the last hour or so, moved with some resentment at the obvious desire not to give the government as much money as we can get out of this measure, but to restrict the government's ability to raise revenue from it. I hope the minister will continue as he has been doing and will stand by the proposals which are in this bill, and which I personally think are quite moderate.

Mr. JACKMAN: I have no doubt that the hon. member for Rosetown-Biggan was a supporter of the dominion-provincial relations conference. That conference had as one of its main objectives the settling of certain duplicate taxation measures. This country has become so flooded with duplications in taxations that one hardly knows where to turn. I can say to the chairman that, as a young man, I find it difficult to make a move without thinking of the effects of three or four taxing statutes of one sort or another, or, when I am trying to make provision for a