

# DREW CHARGES MAGNA CARTA DENIED BY BILL

Hits Succession Duty  
Act Change by Which  
Securities Evaluated

ASKS COURT REVIEW

In a broad appeal for support of democratic principles in legislation, Conservative Leader Drew charged yesterday in the Legislature that passage of the proposed amendments to the Succession Duty Act was equivalent to rescinding Magna Carta and the Bill of Rights.

Colonel Drew's attack was centred particularly on Section 25 of the bill, which provides for the determination by the Treasurer of fair market value of securities in old estates. He stressed to Attorney-General Conant, who moved the bill into second reading, that he was not imputing bad faith in his criticism.

"But I believe very strongly that the House is getting away from democratic principles," he added, "because a one-man tribunal has the right to fix values and that decision is not subject to review by the court."

The Conservative Leader's plea for appeal powers opened wide the debate to encompass the recommendations for right of court review which were made by the members of the Ontario Section of the Canadian Bar Association at last week's meeting at Windsor.

After the bill passed second reading, with Opposition members giving ready indication of their intention of attacking the measure in committee stage, Premier Hepburn warned the House that it was the most complicated of all Ontario's taxes.

"We want you," he said, addressing the Opposition, "to give it a thorough discussion. We want to make it as letter-perfect as possible."

## Present New Section.

Mr. Conant outlined the principal amendments to the parent bill, which was passed at the special September session of 1939.

Under Section 23, with which it is proposed to amend Section 47 of the parent act — the part which was claimed to fall short of the powers required by the Treasury to collect duties from old estates—provision is made for the collection of unpaid duty based on the law in force at the date of death.

"The whole plan under that section," said Mr. Conant, "is to preserve the principle that the liability for duty shall be entirely determined by the law in force at the date of death, where the deceased died before September, 1939. Under Section 23, upon the investigation of any estate, the question of whether or not any further duty is owing to the Province will be determined according to the law at the date of death, so that any duty which should have been paid according to that law and remains unpaid may be collected, together with appropriate interest and penalties."

Colonel Drew warned the members that the parent act was to have been a "model of legislative virtue. And now we find that amendments to it are so extensive that they represent a most substantial piece of the legislation which is now before us.

## Up to Treasurer.

Section 25, he said, extended the wide powers of a one-man tribunal who can fix values under the act. He then read the section: "For the purposes of any act in force at the date of death of the deceased, where the deceased died prior to the 22nd day of September, 1939, the fair market value of any security which is not listed on any stock exchange or on which no price or quotation is obtainable from financial journals, recognized financial reports or registered brokers, or of any business or of any interest in any business shall be the value determined by the Treasurer, and such value shall be deemed to be the fair market value of such security, business or interest and shall not be subject to review by any court, notwithstanding anything contained in this or any other act."

"I wish you would read Section 25 carefully," said Colonel Drew, "to see how necessary it is to listen to the argument of the member for St. George and to restore in legislation the principles of Magna Carta and the Bill of Rights."

He claimed that no one would more vigorously protect the right of the State to collect succession duties than himself, but he would,

at the same time, "give the right of any man to access to the courts."

Mr. Conant, in reply, claimed that the Dominion War Tax Act, "which affects more people in the aggregate than the one with which we are now dealing," gave the Federal minister full power to determine values.

If the way was opened to the courts for appeal, because of the cost and complicated procedures, a large number of persons would be denied access to the courts, argued Mr. Conant.

He then referred to the bar association resolutions and, in theory, agreed with their backers. "But in practice," said Mr. Conant, "it would be difficult, if not impossible, to administer the affairs of the Province with the many new and complex problems that have arisen in recent years if every decision or ruling were subject to review by the courts. The whole machinery of government would thereby be clogged and end up in a morass of litigation."

"It is perhaps unnecessary to add," continued Mr. Conant, "that the delays and expense of litigation are what make recourse to the courts impossible in many cases. Take for example the Workmen's Compensation Act. That law was set up principally on account of the fact that a workman was practically deprived of his rights under the old system because he had not the means to enforce a claim through the courts of law with all the expense and delays that would be involved.

"Sir William Meredith, whose report as a commissioner was the foundation for the present Workmen's Compensation Act, had this to say: 'The procedure for the adjustment of claims should be as far as possible dissociated from the regular courts of law. . . . The largest item in the expense of the present system—through the ordinary courts of law—is the expense connected with the adjudication of claims. The larger portion of this expense consists, of course, of legal fees.' The same observations might be applied to a great many instances to which the gentlemen of the Bar refer."

"I would say to these gentlemen," said the Attorney-General, "that they would be performing a greater public service if they would devote their efforts in co-operating to improve, expedite and make less expensive the administration of justice."