

DEATH DUTIES BUDGET FACTOR, HEPBURN SAYS

Condition Will Depend
on Ability to Collect
Under Amended Law

REPLIES TO ATTACK

Premier Hepburn told the Legislature yesterday that the budget he proposed to bring down in the House shortly would affect the standard of living of the citizens, and would be predicated, to some extent, on the ability of the Government to collect revenues under the amended Succession Duty Act.

This statement was made during discussion of the amendments to the act in Committee of the Whole, and came in the midst of a strong attack by the Opposition on certain features, chiefly the lack of provision for an appeal to the courts.

"We do not collect moneys for ourselves," said the Premier. "The Government gives it back to the municipalities in the form of subsidies. What we can't get in the shape of subsidies, we can't pass on. We are prepared to take a secondary position to the Federal Government in the matter of taxation."

The Premier's statement that it would be of little use to "throw this bill into the laps of a lot of lawyers," brought from Opposition Leader George Drew the observation that it was not a case of referring it to a "bunch of lawyers," but of referring the bill to the proper committee. It had not been suggested, he said, that the amendment was for the purpose of collecting current revenue.

"These amendments are to permit the Government to go back and investigate estates closed years ago," said the Opposition Leader. "Probably the Premier is preparing a gutter's budget this time instead of a sunshine budget."

"Probably that would please you, but I don't think it will be like that," retorted Mr. Hepburn.

asked Attorney-General Conant and the Premier if he was correct in assuming that they based their reason for refusing appeal to courts from a decision on valuation on the fact that they believed there was no appeal from decisions of investigators of the Dominion Income Tax Bureau. The Premier and Mr. Conant said that this was so.

"That admission is a perfect reason why this bill should have gone to the Legal Committee," declared Colonel Drew. "As the War Income Tax stands, amended up to date, there is an appeal for all citizens to the Exchequer Court. Having regard to the fact that the Attorney-General's bill is taken from the British act, I don't see why he should deny appeal to the courts in Ontario when the parent act allows appeal to the courts in Britain."

Attorney-General Conant said that appeal to the courts was allowed, and it was only refused in the section referring to the valuation of property by treasury department officials. He said this was because he believed that these officials were better qualified to decide the worth of property than any other tribunal.

Sees No Distinction.

When the committee reached Section 2, which empowers the Treasurer to determine the value of unlisted securities and business, Colonel Drew again asked the Attorney-General why he was not prepared to provide the same right of appeal as is provided in the British act.

"We are not concerned with present-day estates," said the Premier. "They can go to courts if they wish. We are only concerned with estates which we believe have defrauded the Treasury. We have no intention of allowing them to take us to the courts and to carry us through endless litigation. We have collected \$25,000,000, and I would say we have between \$5,000,000 and \$6,000,000 in sight."

Colonel Drew argued there was nothing in the section differentiating between old and new estates. Mr. Hepburn again maintained that men in the Treasury Department were well qualified. The Treasury did not want sweeping powers, he said, but believed them necessary, and he believed that trained officials of the department were better qualified to appraise estates than the majority of judges.

"The Premier puts up an argument which in no way differs than that in any totalitarian State," retorted Colonel Drew.

"Are the courts infallible?" asked the Premier.

"I don't suggest that they are infallible," he replied. Colonel Drew said he was amazed at the suggestion that judges, trained to evaluate evidence, were not capable of appraising estates values. "These men from the Treasury branch," he charged, "are brought in to do a particular job, and that job is to get as much money as they can."

Sees King Fighting Election 'From a Bombproof Shelter'

Premier Hepburn, in answer to criticism which he said had been directed against him because of the parallel he drew between the sinking of the Graf Spee and the dissolution of the House of Commons, yesterday in the Legislature again charged Prime Minister King with having "scuttled the ship of State."

"He did scuttle the ship of State," declared Mr. Hepburn, "and he has stated that he was going to gag those who speak on the radio, and he is going to fight his election battle from a bombproof shelter in Laurier House."

His charge was made in the course of the argument over the succession duty bill when he

stressed that the act passed at the 1939 September session had not been openly challenged in the courts. An injunction, however, had been issued by Chief Justice Rose in the Kaufman estate investigation case, he said, which had the effect of barring the Government from making further investigation. He saw in it a parallel to the election issue raised by the dissolution of the House of Commons.

"The Dominion Government members had a right to secure certain information before the House," he said. "But the House was dissolved

LAURIER HOUSE.

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