

DREW, CONANT CLASH BITTERLY ON DUTIES ACT

Attorney-General Won't
Explain Section Since
'It Is Plain English'

CALLED OFFENSIVE

Succession Duty Act amendments, backed by unflagging Government support, emerged from three hours of persistent and at times bitter Conservative attack in the Legislature yesterday with their twenty-seven sections intact and ready to receive third reading.

Their passage through Committee of the Whole was marked by the warmest debate of the session, and in charges and counter-charges which reached a climax in ten minutes of blistering pyrotechnics between Conservative Leader Drew on the one hand and Premier Hepburn and Attorney-General Conant on the other.

Mr. Conant's blunt refusal to explain one section—"you know all the language in the British Empire. Read the section, it is plain English and I won't construe it any further"—brought from Colonel Drew the charge that the remark was "the most offensive I have heard in three sessions."

Colonel Drew declared the entire act is a "monument to your stupidity," and for a brief interval tempers calmed, only to be aroused to fever pitch by the Attorney-General's refusal to explain further another section.

"If the Attorney-General is incapable of paying any further attention and has no further interest in the bill, I move that the committee rise," Colonel Drew retorted and drew from the Premier the answer that "it is a most unwarranted statement."

"The Attorney-General has stood up to carping criticism in what is an obvious attempt to block the Government from collecting money that will be turned over to the overburdened taxpayer," the Premier added.

In the end, both party leaders came up flushed but smiling. Premier Hepburn beamed across the floor of the House. "We appreciate his criticism." He said the Government wanted the bill to "cool off a little," and assured the House that it would not be back for third reading until Tuesday.

Colonel Drew subjected the bill to two amendments, both directed at what he claimed was the British and democratic right, established by Magna Carta and the Bill of Rights, to allow access and appeals to the courts. In the final move, he recommended that a clause from the British act be incorporated in the bill, a clause which allowed any person the right to challenge an assessment for dues and the amount of the dues.

He warned the Premier, "This act is not going to hold water. It is just as bad an act as the act passed last September."

The motion was lost a bare few minutes before the committee rose.

Refers to British Act.

Colonel Drew referred repeatedly in his argument to the corresponding act in Britain. If they, who needed money so badly to cover war expenditures, could leave citizens the right to go to the courts, so could we, he claimed, in direct reference to Section 2, which empowered the Treasurer to determine the value of unlisted securities.

W. H. Baird (Cons., High Park) also pleaded for the inclusion of wording which would allow appeal from the Treasurer's ruling. Leopold Macaulay (Cons., York South) scored the following clause which made provisions of the act, pertaining to the collection of dues on gifts, retroactive to the parent act.

The section ruled that, in order to obtain exemption on gifts, gifts to immediate members of the family must be made more than twenty years before death, instead of ten years as formerly, and the husband and wife are excluded from the benefit of this exemption. Opposition members attacked both the husband and wife principle and the twenty-year term.

The Premier said that directly after the ten-year term had been incorporated in the September act, the Treasury learned of one wealthy man who "immediately transferred huge sums of money to members of his family. He hoped to live for ten years."

"Is he dead yet?" asked Mr. Macaulay.

"No," replied the Premier. "Then," retorted Mr. Macaulay, to the accompaniment of laughter, "why make it retroactive?"

Colonel Drew also attacked the retroactive effect of the clause. "Unless you are prepared to tell the House the facts about this retroactive legislation, you might just as well tell this House you are going to adopt a totalitarian Cabinet to be run at your dictation at any time."

He charged that the Attorney-General had failed to reveal the principle behind either the act or section.

"The principle behind it," said the Attorney-General, "is to gather revenue for the Province of Ontario."

Colonel Drew declared the Province had an opportunity of attracting migrant wealth in search of security. He quoted that \$365,000,000 of "refugee wealth had entered Canada last year."

The Premier, he recalled, had mentioned specific cases in which fraud was alleged. "Would it not be infinitely more honest of this Legislature to deal with specific cases rather than through general laws which threaten stability and security by retroactive legislation?" he asked.

Premier Hepburn believed wealth would be more attracted to a Province in which "a Government was doing its duty rather than one which left \$25,000,000 in succession duties uncollected."

He cited Ontario's assets. He claimed his Government had charged to ordinary accounts things which were chargeable there, contrary to the policy followed by the previous administration. "Why do we need that money?" he asked. "Why, because of the misdeeds of our friends opposite."

Fears Rights Taken Away.

When the committee of the House came to Section 11 of the amendments, which states that no one may withhold information from the Province by claiming "privilege," the debate between Colonel Drew and the Attorney-General flared anew.

"Doesn't this section take away fundamental rights of the individual?" asked the Opposition Leader.

"I am not going to construe the section for you," replied Mr. Conant. "I can only say that it is necessary because the ingenuity of man knows no bounds in trying to evade a tax law. No person who has dealt honestly with property need fear this act, and anybody who has dealt dishonestly should not be protected by any law."

"What an amazing explanation for the Attorney-General," said Colonel Drew. At this point Allan Lamport (Liberal, St. David) started to heckle and Colonel Drew said, "How did Mortimer Snerd get in?"

Turning again to Mr. Conant, he said: "No husband should be compelled to disclose what his wife has

told him during their marriage, and no wife should be compelled to disclose what her husband has told her."

"I have nothing to say," stated the Attorney-General. "I refuse to explain the section any further."

Colonel Drew then moved that the committee rise. "If the Attorney-General is incapable of paying any further attention and has no further interest in the bill, I move that the committee rise," he said.

Premier Hepburn jumped to his feet. "That is a most unwarranted statement. The Attorney-General has stood up to carping criticism in what is an obvious attempt to block the Government from collecting money that will be turned over to the overburdened taxpayer," he said.

"Such a remark is entirely wide of the mark," replied Colonel Drew.

"It's true and you know it," said Mr. Conant.

"Yes, it's true," echoed Mr. Lamport.

"There's Mortimer Snerd again," said the Opposition Leader.

"This is the most vicious section of a vicious act," continued Colonel Drew. "The House should have

some explanation before being asked to vote on this section. It offends against every decent instinct." ("Watch out now," came from Mr. Lamport.)

"This section means that a priest can be forced to break the confessional, a minister must disclose what may be a dying man's last statement, a lawyer must tell what has passed between him and his client, and a doctor must disclose a statement that may be made by a patient who is sick and does not know what he is saying.

"It breaks the principle of marital relations," continued the Opposition Leader, "and breaks down the entire basis of the structure of decent human relations. The Attorney-General must explain why he wants to go so far."

Cites Dominion Act.

Premier Hepburn rose and said that there was no new principle in the section. Reading from the Dominion War Income Tax Act, he said that the Minister, or any commission appointed by the Minister, had power to call any witness to give evidence under oath.

"You speak of the privilege of doctors and ministers, but you are trying to protect the lawyers," said the Premier, "and they have been the worst sinners in protecting the tax evaders."

"The section you have read from is applicable to any court that calls witnesses," said Colonel Drew, "and in no way denies the right of witnesses called to claim 'privilege' in refusing to testify."

Colonel Drew's motion that the committee rise was then voted on and lost, and Section 11 was voted into the bill.

A moment later the Opposition Leader claimed that the Government "are railroading the bill through. It is very important and should be given a lot of consideration."

"It wouldn't take so long if you didn't try to do all the objecting yourself," said Hon. Eric Cross.

"We have Charlie McCarthy in here now," replied the Opposition Leader.

Section 23, designed to correct the fault which left the parent act inoperative, passed with comparatively little discussion. In general explanation, the purpose of the amendment was to declare that the law enforced at the date of death shall be the law which applies to the collection of unpaid duty, interest and penalties in old estates.

The debate's heat soared immediately after as the committee considered the following section which ruled that the provisions of the Statute of Limitations shall not