

Mr. KNOWLES: The fact that there are government annuities available to all our people, including veterans. I suggest that that be included in any literature that is sent out in connection with this insurance.

Mr. MACKENZIE (Vancouver Centre): A very good suggestion.

Mr. KNOWLES: My other suggestion is that the minister consult with the Minister of Labour or the Minister of Finance to see whether any special offer might be made by the annuities branch to veterans. There is an element of subsidy which is contained in the annuities set-up, of which I approve. I believe the country generally would approve a little further subsidy to enable veterans to provide annuities for themselves. I should be glad if the minister would consider those suggestions.

Mr. MACKENZIE (Vancouver Centre): Thank you.

Mr. LOCKHART: I have no intention of repeating any arguments, but the minister does not show any indication of deleting the restriction as to time that would be applicable. He says he wants the soldier to take advantage of this at an early date after he is discharged. In looking at schedule A I find that in the age bracket twenty-five to twenty-nine there is a difference of only twenty-cents a month in the premiums on a policy of a thousand dollars on a fifteen-year basis. Therefore I cannot see how the minister can substantiate the argument that the three-year figure should be retained. The suggestion has been made that the period should be five years. I think it should be five, if the limit be not taken off altogether.

Mr. MACKENZIE (Vancouver Centre): Is it not \$2 a month on a \$10,000 policy?

Mr. LOCKHART: This is on the basis of \$1,000; why talk of \$10,000?

Mr. WHITE: Would the minister explain to the committee how the succession duty act will operate in regard to this insurance, and whether or not the annuities will be subject to income tax?

Mr. MACKENZIE (Vancouver Centre): I am informed not, but personally I am not positive on that point.

Mr. WHITE: Which, succession duty, or income?

Mr. MACKENZIE (Vancouver Centre): Succession duty.

Mr. WHITE: Would the minister get a ruling from the department?

Mr. MACKENZIE (Vancouver Centre): Yes, before third reading of the bill. I shall get a ruling on both these points.

Mr. WHITE: Also about succession duty?

Mr. MACKENZIE (Vancouver Centre): I shall be glad to do that before third reading of the bill and inform my hon. friend, or the leader of the opposition if my hon. friend is not in the house.

Mr. WHITE: Will the minister give an opinion as to whether soldiers' insurance such as this should be exempt from succession duty? Would he like to go that far?

Mr. MACKENZIE (Vancouver Centre): That is my personal opinion, but I am speaking only for myself.

Mr. WHITE: Would he like to recommend it?

Mr. MACKENZIE (Vancouver Centre): I shall discuss it.

Mr. MacNICOL: Has the minister definitely made up his mind that he will not extend the period from three to five years?

Mr. MACKENZIE (Vancouver Centre): Frankly, no; I am not qualified to discuss the actuarial possibilities of such an extension. I shall discuss it with those who are the scientific advisers in this matter before the bill receives third reading. I will see if there is any definite and insuperable objection to the suggestion, which has come from practically all quarters of the house. I shall be very glad to have that taken up.

Mr. MacNICOL: That will be satisfactory to me.

Mr. CRUICKSHANK: Will the same thing apply to my suggestion?

Mr. MACKENZIE (Vancouver Centre): No; I am afraid I must take a definite stand in that regard. If we are to extend these benefits to those who served in the previous war but who have not served in this war, we must do it by amending the old act. The whole system of premiums and everything else is based upon scientific actuarial practice, and in the case suggested by the hon. member we would have to amend the other act.

Mr. CRUICKSHANK: Then would the minister consider recommending that the other act be amended?

Mr. MacNICOL: I want to thank the minister for his consideration and his undertaking that between now and third reading he will inquire as to whether it would be actuarially sound to extend the period from three to five years.