

*Oral Questions*

## STATEMENTS MADE BY MINISTER OF NATIONAL REVENUE

now considering pulling back from that policy announced in the budget?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** No, Madam Speaker. What I have said, in order to clarify the situation, is that insurance coverage presently in effect is not brought under the new tax regime proposed in the budget. What I have said is that I have had representations from the insurance industry which has recognized that the provisions and the practice which existed prior to the budget provided significant opportunities for tax avoidance and deferrals by high income individuals. They were quite prepared to co-operate and to draw a line between that group and those who may be in possession of whole life insurance, and we undertook to further our consideration of that problem, but no decision has been taken as to any alteration at the present time.

**Mr. Clark:** Madam Speaker, with regard to that clarification, and just to translate it into English, it means that the minister has decided to change part of the policy he announced in the House of Commons but he will not tell the House of Commons what part of the policy he intends to change, or how he intends to change it.

## MEDICAL AND DENTAL PROGRAM BENEFITS

**Right Hon. Joe Clark (Leader of the Opposition):** Madam Speaker, I want also to ask the minister a question supplementary to that posed by my colleague, the hon. member for Rosedale. The minister will know that yesterday his colleague, the Minister of National Revenue, indicated that the government of Canada has a policy on parking lot benefits. They are not going to be taxed. That is the policy announced by his colleague. Yet the minister, if I understood correctly, indicates that while they have a policy on parking lot benefits they do not have a policy yet as to whether they are going to impose taxes on employee benefits respecting dental care and other health and welfare services which are now part of contracts and which affect, in the construction industry alone, some 450,000 Canadians. Those people might be denied the opportunity to take advantage of medical and dental care programs.

Will the minister tell the House of Commons why in his priorities he puts parking lots ahead of the health and dental care of 450,000 Canadians working in the construction industry?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, I think the hon. member has introduced the subject of parking lots. I have never discussed parking lots in the House of Commons, so I do not know what the relevance is. I have stated in the budget the tax treatment of employee benefits, to introduce similar treatment to all employees in the country. That concept of justice does not appear to sit well with the Leader of the Opposition. Well, that is his responsibility.

**Right Hon. Joe Clark (Leader of the Opposition):** Madam Speaker, let me ask the minister whether the Minister of National Revenue was speaking the policy of the government yesterday when he said the government would not be having its policy apply to parking lot benefits, that it would not be applying to servicemen in respect of flights back to Canada or in relation to other specifics he mentioned in the House of Commons? If the Minister of National Revenue was speaking for the government on that matter, would the Minister of Finance give consideration to allowing the Minister of National Revenue to speak to the question of the health and dental care packages that the minister now proposes to deny to approximately 450,000 Canadians working in the construction trades?

• (1450)

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, the Leader of the Opposition is quite confused about this whole area, which is evident from his questions.

**An hon. Member:** We heard him say it.

**An hon. Member:** Read *Hansard*. He said it.

**Mr. MacEachen:** There were only two items mentioned in the budget with respect to this particular subject, namely, board and lodging, and transportation passes. No other subject was raised in the budget. All the other items which have been thrown into public debate have arisen from speculation in the newspapers and other media—

**An hon. Member:** From your colleague, the Minister of National Revenue.

**Mr. MacEachen:**—and from questions raised by the members of the opposition. It has not been raised in the budget. The question of employee discounts has not been raised in the budget. The question of parking lots has not been raised in the budget.

**Mr. Epp:** Ask Rompkey.

**Mr. MacEachen:** The question of alleged taxation of clergymen has not been raised in the budget.

**An hon. Member:** What about dental plans?

**Mr. MacEachen:** Madam Speaker, all of these questions have been raised by members of the opposition who are drawing conclusions which are not justified by the budget proposals.