

*Oral Questions*

change in that particular provision. Senior Canadians are the ones who are affected.

**Some hon. Members:** Hear, hear!

**Mr. Crosby:** I want to tell the minister also that it was not retired business executives who came to our special committee with this concern, it was the Consumers Association of Canada. It is the little man who can be hurt by this provision. That is what we are concerned with, Madam Speaker.

We want to know about the minister's statistics. The minister has said in this House that 12 million Canadians will pay less tax but seven million Canadians will pay tax on health plans. Whose statistics are right? The statistics of the Canadian Labour Congress, or the statistics of the minister? I would like the minister to confirm the statistics and tell us who will pay more taxes.

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, all the facts are stated in the tables that were presented with the budget. They show that almost 12 million Canadians, as a result of the budget, will pay less tax in 1982 than in 1981, that about 3.5 million Canadians will pay about the same level of taxes, and that about 800,000 Canadian taxpayers will pay more taxes. Those are the statistics that are in the tax tables. They are public knowledge. If the Canadian Labour Congress and other bodies can contest these statistics, then I will examine their contestations. However, I believe the statistics to be accurate and to reflect the actual situation.

**Mr. Baker (Nepean-Carleton):** They have already contested them.

## MINISTER'S BUDGETARY STATEMENTS

**Mr. Howard Crosby (Halifax West):** Madam Speaker, it is very difficult for any Member of Parliament to argue with the minister's statistics, but Canadians will know in ensuing tax years whether more Canadians or fewer Canadians will be paying tax, and that will be the test.

However, I want to know in a more general way how the minister can explain some items in the budget. In the minister's 1980 budget speech he said that Canada had one of the best tax systems in the world. He said that in 1980.

**Some hon. Members:** Hear, hear!

**Mr. Crosby:** Last year, 1981, the minister said that many Canadians find the tax system unfair, and he agrees with them. Who are those Canadians? Are they the backbenchers in the Liberal Party who thought the new tax measures were needed?

**Madam Speaker:** Order, please. I am afraid that we did not get the question. I would like the hon. member to repeat his question, but only his question.

**Mr. Crosby:** Madam Speaker, it is difficult to phrase a question when we have contradictory remarks in two budgets. I will simply ask the minister which remark is true?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, there is nothing contradictory, in my mind.

**Some hon. Members:** Oh, oh!

**Mr. MacEachen:** It seems to me that even the best can be improved. I stated that our system was among the best. It is among the best, but it still can be improved, and that is what I was attempting to do.

## QUERY RESPECTING LIFE INSURANCE POLICYHOLDERS

**Mr. Stan Darling (Parry Sound-Muskoka):** Madam Speaker, my question is directed to the Minister of Finance. One of the areas in which the minister's November budget created unnecessary financial hardship for Canadians is the area dealing with life insurance. Could the minister tell the House why the approximately nine million low and middle-income policyholders who have life insurance are now being harassed by the government? Why are they being discouraged from protecting their families and their own security in retirement? Why are they being punished by being asked to pay tax on their policies before they receive any cash benefit whatever?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, I am pleased the hon. member raised that question because it gives me an opportunity to straighten the record. The fact is that no existing policyholder in any part of Canada is affected by the budget provisions of November 12. Let me repeat that: no existing policyholders. That is the fact. I hope that the message gets out. I can assure the hon. member that no existing policyholder is harassed, punished, affected, or impacted by taxes because all of them, all of the existing policyholders, are not touched whatever. I would like that to be put out.

**Mr. Pinard:** Read the budget.

● (1420)

## REQUEST THAT PROVISIONS BE WITHDRAWN

**Mr. Stan Darling (Parry Sound-Muskoka):** Madam Speaker, I am sure the minister is aware his predecessor brought in something similar and withdrew it. I hope the minister will decide to withdraw entirely any tax on the life insurance industry, RRSPs and the like, because no one—as a life insurance agent I can emphasize this—in their right minds would be investing in any form of life insurance because of high interest rates available in other forms.

Will the minister withdraw anything and everything he has agreed to or considered doing regarding life insurance, annuities, or anything else?