

Oral Questions

Mrs. Erola:—who have worked seven days to change these minds.

Some hon. Members: Hear, hear!

Some hon. Members: Question, question!

Mr. Terry Sargeant (Selkirk-Interlake): Madam Speaker, I would just like to add the comment that the people of Manitoba removed one obstacle to the inclusion of the rights of women and native people, on Tuesday night of this week.

Some hon. Members: Hear, hear!

Mr. Gordon Taylor (Bow River): Being a bachelor, I do not know much about women—

Some hon. Members: Oh, oh!

Mr. Taylor:—but I am quite willing to learn—

Some hon. Members: Oh, oh!

Mr. Taylor:—and Premier Lougheed is strongly behind every one of them!

Some hon. Members: Hear, hear!

Madam Speaker: I am afraid everything that has just happened has been quite out of order because the motion has not been put to the House. At this hour I must interrupt to go to oral questions.

Some hon. Members: No, no!

Mr. Baker (Nepean-Carleton): Put the motion! Put the motion!

Madam Speaker: Very well. I can take time to put the original motion to the House, because I cannot accept the amendment.

The House had heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

Some hon. Members: Hear, hear!

● (1415)

ORAL QUESTION PERIOD

[English]

THE BUDGET

PROVISIONS AFFECTING SMALL BUSINESS DEVELOPMENT BOND PROGRAM

Mr. Chris Speyer (Cambridge): Madam Speaker, my question is for the Minister of Finance. During this year the

economic noose tightened around the necks of thousands of businessmen and women in this country. On November 12 the minister sprang the trap door with respect to the Small Business Development Bond, an instrument which was established by this party for the purposes of creating jobs through expansion and development of business. It is my understanding that the Royal Bank of Canada and the Bank of Nova Scotia have issued instructions to all of their branches to impose a moratorium on the Small Business Development Bond. Would the minister please confirm this and tell us whether or not any negotiations have ensued between his office and the banks, and could he tell us exactly what is the current status?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have absolutely no information that would justify the hon. member's claim. I will, however, check the situation, because I think it would be very regrettable if any moratorium were declared on this bond by any bank, because of its benefits for small business men.

The hon. member talked about the general economic situation. I am pleased to advise him that the bank rate has again dropped today. That means the bank rate is at its lowest level for this year. It has dropped almost six points since August, and that is extremely good news.

Some hon. Members: Hear, hear!

Mr. Epp: Six points from where to what?

IMPACT OF TAX MEASURES ON INSURANCE INDUSTRY

Mr. Chris Speyer (Cambridge): Madam Speaker, my supplementary question is for the same minister. It pertains to the taxation of policyholders of life insurance contracts. Some 60,000 Canadians are employed in the life insurance business, many thousands in the Cambridge and Kitchener-Waterloo area. Some 83 per cent of all policyholders make less than \$25,000 a year. In light of the fact that there is going to be a tremendous drying up of long-term capital and that the jobs of thousands of Canadians in this industry are going to be imperilled, how can the minister possibly justify this tax grab?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I will not attempt to justify every detailed tax measure in answer to questions on orders of the day, because we will be discussing in detail all of these measures in committee of the whole and I will be pleased at that time to answer all the hon. member's detailed questions with respect to this matter and others. But I would simply say to the hon. member that, upon examination of the situation, maybe he would justify to me why a portion of this particular kind of income should be exempt from tax when the average worker, who receives employment income, is fully taxed on all of his income. Maybe the hon. member would justify to me why there should be this inequitable treatment among various categories of income.

Mr. Speyer: Because the income isn't received.