

Proceedings on Adjournment Motion

should thereby stop the taxing of these welfare payments.

In this country there are about 600,000 people, sir, between the ages of 65 and 70. Many of them qualified under a means test for a supplement. I speak on their behalf tonight and appeal to the minister to remember them. Many of our old people must depend on our sympathy and understanding to ensure that justice is done.

Mr. H. E. Gray (Windsor West): Mr. Speaker, the hon. member has raised a matter that has been raised previously by hon. members on all sides of the house. I believe the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) presented to this house a notice of motion along somewhat similar lines several weeks ago.

I suggest to the hon. member that he is mistaken when he refers to the test of eligibility for a guaranteed income supplement as a means test. It is certainly not like the means test that formerly applied to various types of disability payments or pensions before the introduction of the Canada Assistance Plan, since it does not take into account assets but only income received or earned. And if I am not mistaken, not all income which is received is included as income for the purpose of the guaranteed income supplement.

Also, the test in question—an income test—is based on information provided in a form filed by the applicant himself and not provided through the efforts of an inspector going to the applicant's home, as was done with means tests which applied to disability and similar payments before the introduction of the Canada Assistance Plan.

I would also like to suggest that the hon. member is mistaken when he suggests that amounts earned, sufficient to have the guaranteed income supplement reduced, are taxed at 50 per cent. This rate is only paid by people who earn much more than people whose income is limited to the old age pension and to the guaranteed income supplement. The supplement is designed to make up the difference between the old security pension and a maximum, which is now approximately \$109 per month. To the extent the supplement is reduced because of other income of the pensioner, this is certainly not a tax but a recognition of the fact that the purpose for which the supplement is paid has not been demonstrated because of the applicant's income.

[Mr. Rynard.]

It is not because of the action of the federal government that it may turn out that a pensioner, because of the income he gets, is ineligible for OMSIP or premium assistance for hospital insurance from the Ontario government. If I am not mistaken this is due to the action of the Ontario government, a Conservative government which I presume the hon. member supports, and I suggest therefore that he direct his complaint on this aspect to that government.

Finally, with respect to changes in tax laws, as I have pointed out on previous occasions the tradition of budgetary secrecy prevents the announcement of tax changes until the actual budget is presented, but, as the Minister has said, in the preparation of the budget we consider all submissions that have been made to the government in this regard.

• (10:10 p.m.)

[Translation]

REGIONAL DEVELOPMENT—ABITIBI—GRANT
FOR INDUSTRIAL ASSISTANCE

Mr. Gérard Laprise (Abitibi): Mr. Speaker, on May 7 last I addressed the following question to the Minister of Regional Economic Expansion:

Could he tell us whether consultations are taking place between his department and the Quebec government for the designation of Abitibi as a special area with regard to the granting of financial assistance to promote industrial development in that area?

Today, the minister happened to say that in the course of last year, his department and himself have been busy drafting a legislation to meet my request, which concerns not necessarily the Abitibi area only, but all areas in Canada where the rate of employment is low.

When I asked that question, my purpose was to urge the minister's department and the government to look favourably upon that large area which has been plagued for years with underemployment and whose population has to migrate to neighbouring provinces to earn a somewhat decent living.

Therefore, the standards used to implement a legislation piloted by the Minister of Industry, Trade and Commerce (Mr. Pepin), in order to designate areas, were not entirely adequate as far as the designation of those areas was concerned, and they failed to see the depopulation of an area. So that is what happened in the Abitibi area.