

started their task only four months previously. These were the panel's conclusions, and I quote directly from the report:

(a) With the possible exceptions of cadmium, lead and zinc in the solid form, no deleterious effects are expected to result from the daily deposit of 12,000 metric tons of Amax/Kitsault tailings into Alice Arm in accordance with the Alice Arm Tailings Deposit Regulations.

(b) The following substances, in both solid and dissolved forms, all occur in concentrations which are the same or less than local background conditions: arsenic, copper, iron, mercury, manganese, nickel, uranium-235 and its daughter products, radium-226, thorium-230 and lead-210. Moreover their dissolved concentrations in the tailings all meet or are less than Canadian surface and drinking water guidelines and objectives except manganese which slightly exceeds an aesthetic drinking water guideline.

(c) In the dissolved form, cadmium, lead and zinc all occur at concentrations in the tailings equal to or less than local freshwater background conditions and all three meet or are less than Canadian surface and drinking water guidelines and objectives.

(d) Molybdenum in the Amax/Kitsault tailings is expected to somewhat exceed ambient levels in Alice Arm but not result in adverse environmental changes.

(e) A "cloud" of fine tailings containing approximately 4% of the total daily solids from the Amax/Kitsault discharge is not expected to result in increased loads of dissolved substances in the Alice Arm water column.

(f) Most tailings (approximately 96%) either quickly fall out of the discharge plume or are carried as a turbidity current into the deep central trench of mid-Alice Arm. Resuspension and redistribution is expected to be infrequent, of small magnitude and without deleterious effects.

**The Acting Speaker (Mr. Blaker):** I am sorry to interrupt the Hon. Member but it is my duty, pursuant to Standing Order 24(2), to interrupt the proceedings.

## PRIVATE MEMBERS' MOTIONS

[English]

**The Acting Speaker (Mr. Blaker):** Shall all orders listed under Private Members' Notices of Motions preceding No. 65 be allowed to stand by unanimous consent?

**Some Hon. Members:** Agreed.

\* \* \*

## INCOME TAX

### INTEREST INCOME DEDUCTIONS FOR VETERANS

**Mr. Joe Reid (St. Catharines)** moved:

That, in the opinion of this House, the Government should consider the advisability of increasing veterans' income tax deductions for interest income from \$100 to \$1,000 annually, so that veterans would not suffer depletion of their War Veterans Allowance after earning more than \$100 in interest income and so that they would be taxed on an equitable basis with other investors.

He said: Mr. Speaker, I appreciate the seconding of the motion by my colleague, the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie). It comes as a bit of a surprise, Mr. Speaker, that we are called upon to debate this motion this afternoon, a motion placed on the Order Paper in November, 1981, and which had considerable support both before and after that date. Any responsible Government would have moved a long time ago to correct this injustice, this unfairness with respect to Canada's veterans. The fact that we are in the

position today of having to debate the motion speaks unfavourably and loudly with respect to this Government's attitude and whether or not it really does care when it comes to Canada's veterans.

The motion is straightforward in itself, Mr. Speaker. Look at your income tax return. Look at the form. It gives Canadians an opportunity to deduct \$1,000 of eligible interest income in calculating their taxable income—except veterans. The veteran receiving the War Veterans Allowance is only entitled to claim \$100 per year in interest income. Any excess will be deducted from the veterans' allowance. That is not only patently unjust, Mr. Speaker, it is unfair and an insult to veterans. The veteran receives an allowance because he has served his country. He is now either too old to work or he suffers from some disability. He has an insufficient financial base to carry him through the future years. In most cases the disability is a direct result of wartime service.

Years ago, Mr. Speaker, there may have been some justification for limiting the amount of interest deductibility, but now interest rates have changed. They have reached exorbitant and unimaginable rates as high as 20 per cent. In addition, we have been faced with inflation unknown in years gone by. The world which existed when this deduction was established no longer exists and has not for several years. Interest is charged and paid for on every transaction. You can even earn interest on your chequing account. Over the last two or three years a veteran could have less than \$1,000 on deposit for a rainy day, or even for burial purposes, and still exceed his allotted exemption. Self-evidently, a veteran receiving a War Veterans Allowance is not amassing a fortune in savings or investment. What most veterans are trying to do with their limited income is to set aside some little nest egg for their future, be that for a funeral or a legacy for their survivors, and a modest one at that. They are not trying to beat the system and amass a fortune for themselves. They gave service to the country. The savings go into an account and are left there to accumulate whatever interest they can while the veteran lives.

● (1630)

As a consequence of this, the interest income should not be regarded as being supplementary to the War Veterans Allowance. The veteran is not investing to earn interest to increase his income. Therefore, why should the Government point to any interest income he might receive from his modest investment and say that \$100 is having a bearing on the amount of the allowance he should receive? Any time his investment return or interest return exceeds \$100 in a single year, that excess comes off his war allowance.

I began by saying that I was surprised that the Government had not acted long before now. I had reason for making that comment. In the summer of 1981 the Senate Standing Committee on Health, Welfare and Science issued a report entitled "They Served—We Care". Recommendation No. 6 in that