

Private Members' Business

in examining the Income Tax Act that there are many problems with it and no doubt it has to be brought up to speed as soon as possible.

Looking at this one particular one we could say that the motion has a lot of common sense and I would like to read a few things about the motion.

The Income Tax Act as it now stands forces people, senior citizens, to pay income tax on income they have not yet seen. Bonds and other investments do not mature until the fall quite often and they are still forced to pay tax on them in March. Paying quarterly means paying on income that they have not yet received. Thus they are losing interest on money paid in advance while Revenue Canada collects interest on it.

Another point that should be made while speaking about this is that quite often if there is a miscalculation and the senior citizen has not contributed the right amount, a little less than what they should have contributed, they are not assisted in any way, shape or form. They are told simply in a form letter. There is no reminder. It is straightforward. Give us the interest you owe us, period. Pay up, in other words. We do not want to hear from you again. Just pay up.

I would hope—I do not plan to speak much longer, Mr. Speaker—that hon. members here this evening will support the motion we have before us and when we look at senior citizens across Canada we have, and I am sure every member will agree, we know that they have contributed a great amount to our society in the past and continue to do so.

In closing, I would like to say that another injustice that should be corrected is the \$1,000 interest free per year that was removed from the Income Tax Act a couple of years ago. That should be allowed for senior citizens. They should be allowed to earn \$1,000 of interest per year. I would hope that in the very near future that the government and members here will see the light and allow senior citizens to earn \$1,000 of interest without being taxed on that interest. I think it is very important. I think that most members would agree with that. I find it very difficult to understand why members would not agree to make those changes and make representation to the minister in question.

In conclusion, Mr. Speaker, I would like to thank you for allowing me this time to speak toward the motion.

Mr. Jack Whittaker (Okanagan—Similkameen—Merriitt): Mr. Speaker, indeed this evening it is a pleasure to rise on this particular motion having been the seniors critic for the federal New Democratic Party up until approximately a year ago, and having taken an interest in seniors for most of my lifetime, that interest certainly continues, Mr. Speaker.

I can say without doubt at all this motion, while perhaps needing some refinement, is a way that we can assist our senior citizens in making things easier for them. The motion reads that the government should consider the advisability of changing the collection of the income tax as it affects citizens whose income is not taxed at source so that senior citizens who are required to pay income tax in four quarterly instalments will be permitted to pay only one annual instalment.

What I have found over the number of years since I was a child delivering newspapers to seniors is that one of the difficulties that some seniors have is the difficulty with bureaucracy, the difficulty with keeping dates that perhaps some others find rather easy, the difficulty in keeping track of and properly looking after their money.

What the government has done in requiring them as of 1990 to pay quarterly instalments is add one more problem into the lives of seniors who have, many of them, active lives and who do not need any more of this bureaucratic problem to murk the water for them.

• (1920)

I think the member for Edmonton Northwest, now the chairman of the Standing Committee on Finance, suggested when this bill was before the House on September 26 that while he did not disagree with the thrust of the bill, he would suggest that there were senior citizens who made sufficient income who could afford and should in fact be paying quarterly instalments.

I have no difficulty with that and I would agree with the member that perhaps a refinement to this particular motion might be setting a top-up limit. It might be on the earning amount below which level you only have to pay an annual instalment. It could be in the tax payable amount, above which limit you would pay quarterly and