

Adjournment Debate

11. Q. When will the Canada-Italy agreement go into effect?

A. The agreement must be ratified in both countries after it is signed. Also, administrative arrangements must be agreed upon by both countries before the agreement can be put into effect. Discussions for these administrative arrangements will begin once the agreement is signed.

The agreement has been signed, thus they are beginning their discussions. The agreement will be extremely difficult even when it is working. I should like to refer to the press release from the Prime Minister's office once again, which reads as follows:

9. Q. On what basis can totalizing and prorating under the agreement be applied to acquiring or receiving an OAS pension?

A. A person may add residence in Italy to residence in Canada in order to meet either the ten-year minimum requirement for payment of an OAS pension in Canada, or the 20-year minimum requirement for payment of the OAS pension abroad. The amount of the benefit would be one-fortieth of the OAS pension for each year of residence in Canada only. For example:

(i) 1 year of residence in Canada after age 18 plus 9 years of residence in Italy equals one-fortieth of an OAS pension payable in Canada;

(ii) 15 years of residence in Canada after age 18 plus 5 years of residence in Italy equals fifteen-fortieths of an OAS pension payable in Canada or abroad.

I caution old age pensioners to seek counsel. I hope the department will provide expert advice to these poor souls who are supposed to wander their way through this jargon in which these questions and answers are phrased.

In closing, may I say the bill was first introduced by the minister of health and welfare a long time ago. We were clearly informed that the United Kingdom was pressing us to sign such an agreement. In answer to a question put to him on June 21, 1977, as follows:

● (1817)

Have some countries indicated an interest in having reciprocal social security agreements with Canada?

The then minister answered:

Italy, the United States and the United Kingdom have been pressing for an agreement with us.

I put it to you, Mr. Speaker, that this bill was put through the House under false pretenses. I would like to know when and if the government intends to sign an agreement with the United Kingdom.

[Translation]

Mr. Yves Caron (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, to answer the question of the hon. member for Victoria (Mr. McKinnon), as the Acting Minister of National Health and Welfare stated in the House last Friday, November 18, negotiations have been going on with the United Kingdom since July. We still did not get any formal answer to the agreement proposal which has been discussed by the officials in July and was subsequently the subject of discussions between the Minister of Welfare of Great Britain and the Minister of National Health and Welfare of Canada.

All I can say now is that the technical problems will likely be solved and that Canada has asked the United Kingdom to give British pensioners living in Canada the same pension increases as are regularly being paid to British pensioners living in the United Kingdom. Naturally, it is the prerogative

[Mr. McKinnon.]

of the authorities of the United Kingdom to determine whether they will agree to give these raises to British pensioners who live in Canada as they have given them to British pensioners living in other countries with which the United Kingdom has signed social security bilateral agreements like, for instance, Turkey and Spain.

We believe that because of the strong links that exist and have always existed between the United Kingdom and Canada and because Canada automatically gives all people who are entitled to old age pension benefits and who live outside our frontiers all the increases in the pension benefits, which include the periodical readjustments linked to the cost of living index, the United Kingdom will want to treat on an equal basis all its retired nationals in Canada and in the United States, for instance, as well as those who live in countries which have signed social security bilateral agreements with the United Kingdom.

The hon. member for Victoria can rest assured that the government of Canada will do everything possible to convince the United Kingdom to sign as soon as possible an agreement which will be fair for British pensioners who have chosen to retire in Canada to live their old age near their children and grandchildren. As for us, we are ready to sign an agreement without delay. In reality, however, it takes two to negotiate. Even though the economic situation in the United Kingdom seems well on the way to recovery, our British counterparts tell us they have much difficulty finding the needed funds to meet Canadian requirements and give British pensioners in Canada equal treatment with British pensioners in the United Kingdom.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been withdrawn. I do now leave the chair until eight o'clock tonight.

Motion withdrawn.

At 6.21 p.m. the House took recess.

● (2002)

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[English]

INCOME TAX

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Chrétien that Bill C-11, to amend the statute law relating to income tax and to provide other authority for the raising of