

*Government Orders*

• (1040)

There is only one solution for this bill and that is to remove the discriminatory tax, the clawback tax, and send it into a discussion on social policy where it should have been in the first place so that all Canadians have an opportunity to present their concerns about it.

**Mr. Rey Pagtakhan (Winnipeg North):** Mr. Speaker, I speak in support of the amendment proposed by my colleague, the hon. member for Ottawa South. I would just enunciate the danger that if this clawback tax is allowed to pass it will end the principle of universality in Canada.

I spoke earlier on this bill and I called it an attack on the very principle that has made the people of our country secure and which has been the cornerstone of our social policy.

This morning I would like, as a last attempt to change the heart of the government, to read from some of the thoughts of the very people who will be affected by this proposed tax by the government.

The National Council of Welfare, in its press release of September 13, 1989, said: "The elderly have already paid for their old age pensions through a lifetime of paying income taxes".

A letter from the President of the Senior Citizens Federation to Prime Minister Mulroney on June 23, 1989 stated: "We view this proposal as a serious breach of faith by our government and an insidious effort to undercut the social security programs that you have on numerous times stated are a sacred trust".

One Voice Canada indicated: "That penalizes people who receive benefits, specifically pensioners and families, and destroys the universal nature of the benefit."

The Coalition of Quebec Seniors, in a letter to Finance Minister Wilson on May 24 stated: "Your proposal creates a steeper tax rate for seniors than for others at similar income levels. Seniors who, with great difficulty, have succeeded over the years in saving for their retirement are being penalized".

The Coalition of Quebec Seniors in essence truly reflects the voice of seniors across the country. Not giving up the fight, in a letter addressed to most members of Parliament on November 29, 1989, they

again call to our attention that the implications of the clawback would be to reduce the purchasing power of seniors, to discriminate against them and to deal a death blow to the universality principle that we have so long cherished in Canada.

I would like to remind the government that the then hon. Minister for Health and Welfare, who is from my home province of Manitoba, promised on December 21, 1984, about this season of the year that: "All savings generated from any changes will be redistributed to social programs and will be applied to deficit reduction". And he continued: "The benefits from old age pensions will be taxed no differently from any other form of income".

That was a sacred promise of an hon. gentleman—whom I continue to esteem, a member of this government, a member of the cabinet in 1984—not so long ago, and this government today is doing just the opposite.

This government has broken a lot of promises and I submit that a litany of broken promises does not create a rosary of sacred trust. I am adamantly opposed to this clawback taxation of the pensions of the seniors of our country. I truly hope that in this spirit of Christmas there can be a change of heart, a change of mind and that the House will adopt the amendment proposed by my hon. colleague.

**Mrs. Beryl Gaffney (Nepean):** Mr. Speaker, I am very pleased to stand here this morning and speak to the amendment to remove the clawback portion from the bill. I have spoken on this previously in the House and expressed my point of view on behalf of constituents of my riding of Nepean. This morning I would like to read excerpts from letters. We have all received hundreds of letters speaking out against this dreadful proposal to clawback seniors pensions. These are from individual people, not from large organizations. This letter from D. Atkinson says:

I am very disillusioned with the current trend by government to get itself elected by whatever means and by whatever promise. I want to speak out, however plaintively, of my outrage over how the government reneged in an '84 denial of free trade, and now in the recent denial of the campaign promise not to meddle with the universality of the OAS.

I thought that Mr. Wilson was once our last bastion of integrity on this bill, now I am not so sure anyone is.

The next letter is from a P. Payne who says: