

Private Members' Business

old age pension benefits and the guaranteed income supplement become an essential source of income.

I will say for the benefit of members opposite that, in 1991, 47 per cent of women over 65 and 18 per cent of men in that same age group had an income of less than \$10,000. Since the poverty line is set at \$17,000, one must conclude that nearly half the female seniors in this beautiful country live below the poverty line. Only 5 per cent of senior citizens make over \$50,000 a year.

It is time to dispel the myth that senior citizens are rich and have a grandiose and opulent lifestyle. Only a very happy few can afford it. For the vast majority of seniors, old age pension and the guaranteed income supplement are the only source of income they have.

Thanks to such support measures, the quality of life and the situation of senior citizens have been greatly improved, even though they are far from perfect. Year after year, senior citizens are making up an increasingly larger portion of the population. It is estimated that the elderly population will increase by 40 per cent in the next 15 years. The government would be better off focusing on the health and welfare of our seniors, instead of shunting them aside, as this Liberal government seems to want to do.

Such a move would prove costly to society. By cutting assistance to seniors, the government will only ensure that hospitals fill up faster and that health care costs increase. The government must respect senior citizens and recognize their contributions to our society.

Instead of seeing them as an ideal scapegoat for its deficit reduction aims, the Liberal government should view them as an untouchable group.

Forty years ago, the government signed a social contract, agreeing to redistribute the moneys collected from contributors once they reached 65 years of age. Now this Liberal government is trying to get out of this contract by channelling the funds elsewhere, all because it has mismanaged its own affairs.

Seniors worked hard all their lives, secure in the knowledge that part of their income was being set aside for their golden years. Senior citizens are the pioneers who built our country, who made sacrifices and who suffered to give us what we now enjoy today.

Quebec owes its system of caisses populaires, one of the best in the world, to its seniors who were there from the very beginning and who believed and participated in this venture. We owe a great deal to these courageous people who were also visionaries. Our seniors were the ones who raised the children who now, as adults, are running our businesses. They are the

ones who fought the battles, and won the victories on which we can build today for the future.

• (1810)

Canada owes a lot to seniors for their efforts. The least the Liberal government should do is respect them and maintain the benefits they have earned.

That is why I tabled so far in this House petitions signed by almost 3,000 seniors from the Quebec City region who strongly deplore the recent measures taken by the Liberal government. I ask, as stated in Motion No. 289 that I presented today, that the government withdraw the measure to reduce the age credit that it introduced in its most recent budget, and retain the Old Age Security Program and the Canada Pension Plan in their present forms.

[English]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration): Mr. Speaker, I welcome this opportunity on behalf of the government to clarify the measure proposed in our February budget regarding the old age credit.

This is an issue deserves better than partisan politics, sacred cow logic and misinformation because the challenge of an aging population is very real for every region of this country.

The hon. member's motion states quite bluntly that we plan to reduce this credit and he implies that the old age security program and Canada pension plan are being altered. Let us deal with the facts.

To start, the budget contained no changes to old age security and the CPP. Here the member's motion is no more than unfortunate fearmongering. Next, simply put, budget action on the age credit means there is no reduction for three-quarters of seniors, about three million people with incomes under \$25,921.

[Translation]

I want to be very clear on this. This budget measure will have no effect on the majority of low-income seniors. However, some seniors will indeed be affected by this measure.

I would like to remind the House of what the finance minister announced in his last budget. The current age credit provides special tax relief for all Canadians subject to tax 65 years of age and older, regardless of their income. This includes 200,000 seniors with personal incomes over \$50,000. I am talking about personal and not family income.

If we want to preserve a social safety net that protects those who really need it while reducing the deficit and debt burden that translates into ever increasing taxes for all Canadians, we cannot continue to subsidize the wealthiest in our society.

That is why the budget provides for a gradual reduction of the age credit for taxpayers with net personal incomes over \$25,921.