

Government Orders

that many can get by on. I should know because I have family who basically functions on that kind of an income. They addressed the concern with me about the tax back of Old Age Security because they had been led to believe, wrongfully, that they were going to be immediately affected. So, I worked out for them, based on a 3 per cent inflation factor which seems to be the concern that some of the opposition members have, how they would be affected.

After ten years they would be making only \$14,790. That means they are still a long way short of \$50,000. In fact, my mother who is 71 would have to live another 52 years in order to be caught by this tax based on a 3 per cent inflation factor. I truly hope she lives that long. I truly hope that at age 123 she is there to see that she has finally arrived at that \$50,000 threshold.

The Minister of Finance has clearly said that we would review these programs on a regular basis and adjust them appropriately. The problem that is going to bother her is when she gets to be 123 and discovers that she has hit that \$50,000 threshold that the threshold has been moved upwards. It is interesting that none of the opposition members bother to mention that in their particular representation.

I thought, if my mother has to live another 52 years to be 123 maybe I ought to look at somebody who has a pension, someone who has more than just the Old Age Security. So I took the average salary in my riding. I am fortunate to have a riding that has a good average income and very buoyant economic times. I say a lot of that is a very direct result of good government policy. But the average income in my riding is about \$39,000. So I took the attitude of many of the left wing opposition members down the way here that they should have a pension. The average pension that a \$39,000 wage earner in my riding could expect from the average employer in my riding would be about \$17,000 a year.

Here they are at age 65. They retire, having earned \$39,000 a year, with a \$17,000 pension. On top of that, of course, they make \$11,000 in Canada Pension and Old Age Security. There they have it.

How long does it take for them to hit the \$50,000 threshold? I thought you would like to know that that 65-year old would only have to live to be 102 in order to hit the threshold. Of course at age 102 when they discover they finally make \$50,000, lo and behold, the finance minister as he had promised, has reviewed the program, has amended the thresholds upward. And they still do not get caught by this terrible tax back that this group down the way are talking about. It is terrible.

Let us make the assumption that that poorer individual who retired on a \$17,000 pension had an indexed pension because, of course, not many do. I thought maybe we would make the assumption that they have been successful in getting themselves an indexed pension. It would still take 19 years before they got to that \$50,000 threshold. Again, they would discover that the good old Minister of Finance of the day, still being a Conservative, would have naturally made the adjustments in the threshold level and they would not have been affected at all. The fear that the opposition members are putting in senior citizens is very unacceptable.

Let us make the assumption that that poor individual finally makes \$50,000. The member who spoke previously talked about this poor senior who has grossed up dividend income. I presume that person probably lives in Rockcliffe or Forest Hill in Toronto. I mean \$40,000 in dividend income. The stocks that I have—and I am not a very good investor—only yield me about 2 per cent dividend income. So that \$40,000 dividend income that she is speaking of means I have to have \$800,000 sitting someplace in investments. Poor little old Canadian me. I really need a lot of help.

Let us give her the benefit of the doubt. Let's presume that I do it a little better. I am just one of these poor investors. I know all about preferred dividends. A really good sharp investor. The average Canadian senior knows all about preferred dividends. I am going to be able to invest my money at 8 or 9 per cent. I still have over \$400,000 in equity sitting somewhere. Poor Canadian! This is who the NDP and the Liberals say ought to be taxed.

I am one of these poor Canadians with all this equity sitting around in a bank some place and I make \$51,000. This terrible tragedy that they foisted on me because I