

Income Tax Act

because of the extra \$500 exemption. But people between 65 and 70 years of age who get precisely the same amount and, like their older friends, have the same expenses and are hit by the same increased cost of living, are subject to tax on their income in excess of \$1,100. They can receive, as the hon. member said, a total of \$1,310.40 a year from a combination of old age security and the guaranteed income supplement, but they have to pay tax on \$210.40 of that, which amounts to something in excess of \$30.

May I point out another injustice that has been perpetrated upon these people. When something like the social development tax is added it does not hit very hard the people in the \$10,000, \$20,000 and \$30,000 income brackets but it really hits the people to whom I have referred in that they have to pay an extra 2 per cent on the total amount of their taxable income. Thus the type of person to whom I have just referred, who has to pay tax on \$210.40, is hit with another 2 per cent, or \$4.20. This is being done to people for whom it was said legislation was being brought in to guarantee their income, to bring them up to a certain point. So they are brought up with the one hand and taken down with the other.

● (5:20 p.m.)

I think the whole proposition is wrong and that this distinction should be abolished. I still think the best way to do it would be not simply to restore the \$500 to these people but to make it \$1,500 across the board. However, if the government thinks it cannot do this it should at least agree to the proposition put forward by the hon. member for Notre-Dame-de-Grâce.

I doubt that there is a member of this House of Commons who is without examples of what this does to people. All of us have this drawn to our attention through the mail. Our old age pensioners think it is particularly unfair to treat them in this way. They are feeling the weight of this tax more than anybody else. I hope that members in all quarters of the house will agree to the proposition put forward by the hon. member, and that the resolution before us will pass today in the course of this private members' hour.

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, it is indeed a pleasure to associate myself with the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) who has proposed this motion. I should like to thank

him for providing the house with the necessary statistics showing just what this means in terms of dollars and cents, and to thank the hon. member for Winnipeg North Centre (Mr. Knowles) also for his addendum in that regard.

I wish to approach this subject in a somewhat different manner in order to avoid repetition. First, I should explain that by reason of my location I happen to come into contact with more older or retired people than do those who live in most other areas of Canada.

My constituency is located in the lush, green Fraser Valley, in beautiful British Columbia, a province which is without doubt, notwithstanding some other prejudiced views, the most beautiful area in Canada if not the North American continent. Not only are the scenery and surroundings superb but the climate, on the average, is ideal the year round. We enjoy the diversity of changing seasons without the severity of extreme weather conditions experienced in other parts of Canada.

Aside from the fact that it is always exciting to reflect upon the advantages of living near the west coast, I am stressing the point at this time to explain my concern for our senior citizens. The lure of pleasant living conditions in British Columbia increases the percentage of retired people and pensioners in our area compared with other parts of Canada. I am told that members of Canada's armed forces stationed at bases from Victoria to Halifax provide an impressive waiting list of people requesting moves which will entitle them to retire on pension in B.C. A similar state of affairs exists among farmers, business and professional people. Therefore British Columbia boasts a very high percentage of retired Canadians living on pensions. We enjoy the company of many senior citizens who are depending on us for fair treatment. We are happy to welcome those who are becoming domiciled in B.C. and who are contributing the wisdom of their experience to Canadian life in our western paradise.

There was a time in the past, although I confess to some difficulty in recalling the exact period, when retirement was considered a milestone on the road of life, a time when people could relax and participate in recreational activities and other pursuits, a way of life denied to those who accepted sacrifice to assure ultimate educational opportunities for their children. Not too long ago, young men automatically initiated some plan for retirement when purchasing insurance protection for their families. I am sure there are a few