

Income Tax Act

Moreover, on behalf of the veterans, it would be quite difficult I think for the Hon. Members to do otherwise. And I am sure that perhaps some of our friends . . . I see the Hon. Member for LaSalle (Mr. Lanthier) wriggling in his seat. No doubt he would like to rise. I hope that he will not try to bury us under heaps of figures because the purpose of this Bill is not to resolve an equation, but merely to try to reward those people who rendered services to all of us as a community and whom we still cherish.

I hope that there will be no more war, but for those who were eyewitnesses of those disastrous wars which have become necessary to defeat the enemy and regain our freedom . . . I would like us to find a small tangible way, Mr. Speaker, to improve the lot of those who are 65 years of age and over, since most of them live near the threshold of poverty.

• (1820)

Mr. Claude Lanthier (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I wonder why the Hon. Member for Hull—Aylmer (Mr. Isabelle) should be afraid of mathematics or a series of figures when he knows that an engineer will respond on behalf of the Minister of Finance. He should not be afraid, and I believe that our Government has shown that we have as much compassion as rational sense, with both feet on the ground.

[*English*]

I would like to take this opportunity, as did the Member for Hull—Aylmer (Mr. Isabelle), to pay due homage to the veterans of Canada in general and to the wonderful riding of LaSalle in particular. I have an opportunity today to air the problems of these veterans. When I go to Legion 212 these veterans, most of whom are now aged, tell all sorts of horror stories to which the Hon. Member for Hull—Aylmer just referred.

The Ladies Auxiliary of Legion 212 maintains the morale of the active members and of the members who are hospitalized in Sainte-Anne de Bellevue Hospital by greeting them a few times a year so that they are not forgotten. *La devise* of Quebec is *Je me souviens* and it is translated at the Legion as "Lest we forget". Therefore, Mr. Speaker, I take this opportunity to extend my best wishes to the members of all Legions of Canada and, in particular, those in the riding of LaSalle.

[*Translation*]

And speaking of horror stories, Mr. Speaker, we are too young to have been directly involved in World War II, but we did have, if I may put it this way, the opportunity to take part in the Korean War or in other wars, in other peacekeeping missions undertaken by Canada throughout the world. I must recall the pathetic death of a member of my community, more specifically, when I was young, Private Jacques Lefebvre who fell in Normandy and whom I had gotten to know very well on my home street. This was a young man who went to war, who saw action and did not come back. Parents had to live with this kind of situation for many years, and I want to pay tribute to

all those soldiers who fell on the battleground, who were killed in action, but particularly to the one I knew, Private Jacques Lefebvre whom I still remember as representing the sacrifice many Canadians had to make, namely sending healthy sons away so they would maintain peace in the world.

Still, notwithstanding the compassion we must show for our veterans, we have to keep both feet on the ground and deal with this tax problem with appropriate objectivity.

Mr. Speaker, the motion urges the Government to consider the advisability to amend the Income Tax Act for the purpose of creating a special deduction for veterans, thus recognizing services rendered to the nation in wartime.

First, it is important to emphasize that the income tax due by an individual is based on that individual's ability to pay. In that sense, the tax legislation must be general and uniform. This means the past or present occupation of a taxpayer has no impact on the amount of tax he or she has to pay. In that light, it does not seem appropriate to grant individuals a general exemption in recognition of past services. This is a matter of general policy.

Many groups in our Canadian society are in need and would certainly deserve our help. Some assistance already has been given to retirees, by increasing and indexing the Old Age Security pension, and also the guaranteed income supplement, as well as to war veterans directly and their families by increasing the veterans' allowance and the veterans' disability pension. The numerous amendments made these last few years to the tax legislation substantially increased available income, and thereby the purchasing power of small- and medium-income people.

The Canadian Government is aware of the debt Canadians as a whole owe our war veterans and it is attempting to help them within its resources. A number of federal acts already provide for the payment of pensions, allowances and various benefits to war veterans. This includes the Compensation for Former Prisoners of War Act, the War Veterans' Allowance Act and the Pensions Act. Benefits paid to war veterans under those acts are not included in income, which means they are tax exempt. That approach has the merit of recognizing the special contribution of War Veterans to the protection of our country, our heritage and world peace in general.

On the other hand, where a war veteran has other sources of income such as employment, business, investments, etc., it seems reasonable that he pay the same amount of tax as other Canadians with similar income and circumstances.

The tax reform initiated by this Government, the outline of which will be made public in a few minutes, will reduce the tax burden of low income families, and thereby of many veterans who are in that particular situation.

To sum up, the Income Tax Act already grants preferred treatment to war veterans, and in view of the measures the Minister of Finance (Mr. Wilson) will be announcing later