

Proceedings on Adjournment Motion

The government has talked about tax changes; it has talked about a \$1,400 exemption level for single persons, and yet we are having to wait for that. That, in itself, will not do the trick. Time is running out. I urge that in the present session there be some specific tax arrangements for our retired people, and I am speaking particularly and precisely of those who are on pension income only. I urge that there be tax rebates, special tax treatment and tax arrangements that will give them a bit of justice instead of the unfairnesses and anomalies they now face. Mr. Speaker, the position of these people is desperate. For God's sake, I hope the government will do something about it soon.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I should like again to note with favour and approval the hon. member's traditional and continuing concern for those living on pensions and fixed incomes only. This concern, of course, is shared by the government and is one of the principal reasons why the government has been so determined to beat inflation. I think the hon. member is very well aware that a specific answer to his question must, in the tradition of this Parliament, await a budget speech or a minibudget.

The Minister of Finance (Mr. Benson) recently had a lengthy meeting with a group of retired persons from Toronto who have designated themselves as "Pensioners Concerned" and who are launching a national campaign to bring the attention of the public to the situation of retired persons, the specific situation which the hon. member has so well articulated. This group was very eloquent in its appeal and during a 90 minute session with the minister explained the problems of retired persons without ignoring the revenue problems faced by the federal government or, indeed, any government.

The Minister of Finance is sympathetic to their views but questions whether the government can legislate more favourably toward lower-income retired persons than toward any other lower-income group. He noted the \$500 deduction for persons over 70 years of age, something which the hon. member mentioned. While it is acknowledged that not all persons over 70 require this exemption because they are not all persons with low incomes, nevertheless I think it is a truism that the vast majority of people over that age are on fixed incomes, be they adequate or inadequate.

Mr. Knowles (Winnipeg North Centre): That is sadly true, and most of them are inadequate.

Mr. Mahoney: Many persons and organizations have tried to divorce the issue of increased exemptions from the comprehensive issue of tax reform, but this is not possible. It may seem trite to mention, but the growing programs that the government now has under way cost money; and it is unrealistic to suggest that the government can get along with less total revenue and continue programs that are now in effect.

If pensioners are to be treated, aside from the special \$500 deduction, no more generously than persons of any other age on low incomes, then one has to look at the cost to the treasury of \$1 billion under the exemption

[Mr. Knowles (Winnipeg North Centre).]

increases proposed in the white paper. The cost of these proposals is to be paid for by the other tax reforms put forward in the white paper. The changes in the rates schedule which would place a slightly heavier tax on those in the upper middle and high income groups would raise an extra \$1½ billion, approximately. Capital gains taxation and other changes in taxation of business would yield other revenues. There are other reforms, of course, which would cost the treasury money.

The hon. member urged action in the present session. The government intends to place tax legislation implementing reform before Parliament as soon as possible.

Mr. Deputy Speaker: Order, please. I regret to advise the Parliamentary Secretary that his time has expired.

PUBLIC WORKS—EGANVILLE—PROGRESS TOWARD NEW FEDERAL BUILDING

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, last Wednesday afternoon during the oral question period I asked the following question of the Minister of Public Works (Mr. Laing) as reported at page 877 of *Hansard* for November 4:

Mr. Speaker, I have a question for the Minister of Public Works which I hope is in order because I gave him notice of it. What progress is being made by his department on the project for a new federal building in the town of Eganville?

Then, Mr. Speaker, you gave me permission because of the urgency of the situation to raise the matter at a future time of adjournment, which happens to be this evening. Last Wednesday the bulk of the questioning during the oral question period pertained to national and social security, mainly as a result of the unfortunate happenings in Quebec. These matters of national security were of such concern that the next day, November 5, the *Ottawa Journal* ran a lead editorial bemoaning the fact that at that time I asked a question about the need of a new federal post office in Eganville. I quote from the editorial:

• (10:10 p.m.)

A Commons due to meet at 2.00 opened at 2.10 and spent until 3.02 fumbling along with the usual run of questions and motions, including a query about the need of a federal building in Eganville.

The Commons was not fumbling last Wednesday, Mr. Speaker. Why shouldn't I, as the federal representative for the village of Eganville, ask my question? There was a 40-minute open question period on that day. What was wrong with asking a question pertaining to the public service and economy of the community which I represent? I think in that part of the editorial the *Ottawa Journal* temporarily forgot about the importance of Ottawa valley towns, one of which is Eganville. Eganville, on the Bonnechere River, a tributary of the Ottawa River, is older than Ottawa. My records indicate that Eganville was founded in 1825. Bytown was founded in 1826, and Ottawa in 1854. Eganville, the surrounding community and Renfrew county have been supplying