

am glad he also mentioned retired civil servants. It seems they have been mentioned a few times before in this House. I would add other federal superannuates such as retired members of the R.C.M.P., retired members of the armed forces, retired employees of the CNR and various other groups.

The fact about this resolution which I think pleases me most is that it has in it a date, namely January 1, 1969. The hon. member is asking that whatever is done be made retroactive to January 1, 1969. On that proposal I wish to support him wholeheartedly. I would urge him, no matter what happens to this resolution today, to use all the winsomeness he has with his colleagues on that side of the House to get them to accept that part of his resolution. We can argue all we want—and I will do some of it—about the proposals in the white paper, whether they are good enough, whether they go far enough and so on, and what their effect would be on pensioners; but the fact is even if the white paper is adopted it would not be effective until January 1, 1971. Therefore, even if the white paper becomes law, in the two years 1969 and 1970 old age pensioners will be under the law as it now stands.

I cannot expect the government to bring in an elaborate amendment to the Old Age Security Act or to the Income Tax Act with regard to one group in society when it is planning an over-all tax reform bill, but it does seem to me it could find a way to declare a moratorium on income tax for 1969 and 1970 in the case of people who are living on only the old age security pension or on only an income up to a total of, say, \$2,000 for a single person and \$4,000 for a married couple. I should like to stress this as strongly as I can. I can see the government saying to the hon. member that he has a good idea and all the rest of it, but now that we have the white paper this type of change cannot be made because it would amount to fiddling around in the meantime. The trouble is that in the meantime many of these people are passing away. Some of them will die sooner than they would otherwise simply because they cannot make both ends meet.

What I find to be commendable in the hon. member's resolution, and what I am asking as something that should be considered, is a moratorium on income tax for the years 1969 and 1970 in the case of retired people whose incomes are below a certain point. The figures I suggest are \$2,000 single and \$4,000 married. Like the hon. member for Edmonton West, I become a little concerned about merely rais-

Income Tax Exemption re Old Age Pensioners
ing the exemption level because then the millionaire who is in receipt of the old age pension would be covered by this resolution and would receive quite a bonanza. This problem could be solved, however, by the proposal I am making in respect of establishing floors and declaring that any retired persons whose incomes are under those floors shall not pay any income tax whatsoever for the years 1969 and 1970. I make that proposal strongly and suggest the figures of \$2,000 single and \$4,000 married.

If the government does not turn around and accept my proposal right off the bat, or argues that my figures are too high in respect of the bookkeeping or figuring that has been done, then may I say that at least the government should go as far as \$1,400 single and \$2,800 married. By the white paper of Friday the government has admitted that no one in Canada should be paying income tax if his income is below \$1,400 single or \$2,800 married. The government is saying that in its view \$1,400 single between age 65 and 70, \$1,900 single over age 70, \$2,800 married between age 65 and 70 and \$3,300 married over age 70, are floors which ought to be achieved. That having been admitted with regard to our pensioners, I think it is an insult to these people to say this shall not come into effect until the taxation year 1971. There are many other people who would like to see the tax benefits come into effect earlier, and I am with them. At least most other people will have a few years to live in which they will be able to obtain the benefits of the tax reform proposals, but many pensioners will not.

• (5:40 p.m.)

I think it would be little enough for the government to declare the kind of moratorium I have suggested. If it is not prepared to take my figures of \$2,000 and \$4,000, at least it should take its own figure of \$1,400 and \$2,800, \$1,900 and \$3,300 or whatever it is. I urge that the government do this, and that the hon. member for Fort William and the friends he has on his side of the House fight this matter out in the Liberal caucus and not take no for an answer. I hope he will not come back one day and tell us that he took it up with the government but that he was given good reasons for not going ahead with his proposal. That is not good enough.

I said in passing that I shared the view of the hon. member for Edmonton West, that if you merely raise the tax exemption level you