

Old Age Security Act Amendment

amendment, certainly will be referred to as the "MacEachen test".

It is very much of a change to see some hon. members on the other side get up and speak in respect of this means test. As I say, I hope the hon. member for Kootenay East will get up when his turn comes. It is refreshing to see that some members on that side do rise once in a while to speak. They were very quiet in respect of the medicare bill and I imagine they will also be quiet when the transport bill comes up.

An hon. Member: Oh, no, we won't.

Mr. Pascoe: As I have said, it was refreshing to see some of them get up. The two we heard this evening certainly spoke against the means test. Despite all the arguments which have been mustered by the minister the fact remains that our senior citizens will be subjected to a complete disclosure of their annual income before they can qualify for any additional pension payment. There is a very interesting letter along these lines which appeared in the *Montreal Gazette* of December 6. It is signed by the chairman of the Golden Age Association of that city. I think the same is very appropriate. This is an excerpt from the letter:

We have discussed the recent legislation being presented to parliament concerning old age pensions. We are unanimously opposed to the present plan because it includes a means test. We are unanimously agreed that old age pensions should be increased to \$105 a month across the board. Those persons who do not require the increase will ultimately turn back the increase to the government through income tax.

As I say, this letter reinforces the argument made by previous speakers. I do not need to dwell on it to any greater extent. In his statement at the resolution stage the minister said that the purpose of a needs test is to determine the gap between what a person has and what he needs for an adequate decent existence. Is that not what is involved in this new pension plan? Is that not what one would consider a means test? The minister also said that there will be no snooping, no prying into financial affairs and no demeaning questions. He then went on to say that the income tax division of the Department of National Revenue will work with the old age security administration of the Department of National Health and Welfare in carefully checking all applications by senior citizens. I will refer to that a little later.

I should like to warn the government against the possibility of violating the confidentiality of income tax returns. I cannot

emphasize this too strongly. If the government tries to impose a close check on income tax returns it will be violating confidential financial statements. Under this legislation provision is made for appeals against decisions by officials of the two departments, the Department of National Revenue and the Department of National Health and Welfare. This would seem to indicate that there will be a very close check made in respect of each individual's finances before any additional payment is made.

At the resolution stage the minister also stated that the additional pension will not be paid to Canadians who leave the country for more than seven months. He said it would not be feasible to verify their statements of income in order to administer the guaranteed income supplement. I should like to emphasize the words "verify their statements of income". This certainly would indicate to me at least that applications for the additional old age security pension will be very closely scrutinized and that any application which might be a little doubtful will be treated very severely. I refer to the fact that the Department of National Revenue, through the income tax division, will be working with the Department of National Health and Welfare.

● (10:10 p.m.)

I should like to refer briefly to a booklet published by the Department of National Revenue regarding the collection of income tax. Let me read a few excerpts to indicate the complexity involved in checking each individual income tax return. Before doing so I should like to point out that the task involved will be increased greatly in respect of applications for supplementary old age security payments if and when this bill is passed in its present state.

At page 41 of this booklet, which is entitled "Twenty One Million Dollars a Day", there is an indication of what the Department of National Revenue does in collecting taxes. It states:

Tax forms, so dear to the hearts of cartoonists at filing time, are the necessary means by which Canadians fulfil their obligations each year under the federal self-assessment tax system. The variety and complexity of these forms reflect the diversity of the income-earning activities of a modern society composed of millions of wage earners, investors, business proprietors, farmers, professionals, executors, trustees, corporations and others.

The category of "others" in my opinion includes old age pensioners who will file income