

Government Orders

I have the 1971 T-1 General Tax Guide in my hands. It states on page 17 under "Old Age Security Tax" that all taxpayers whose taxable income is over \$500 are subject to the Old Age Security Tax. The tax is 4 per cent of taxable income, a maximum of \$240.

That tax was in place since 1952. It was brought in for very good reasons. It was brought in to convince people that the Old Age Security measures introduced by the government were not some kind of charitable giveaway, or a gift to seniors who were poor. This was not some kind of hand-out. It was every senior citizen's right as a citizen of Canada, it came with their citizenship. Even today citizenship is a necessary qualification to receive the old age pension in Canada. It was part of the national fabric. It was part of what bound us together as Canadians.

The government wants to do away with that as a universal measure. We think it is wrong. What the Senate asks in its proposed amendment is simply that as a minimum, as a minor gesture to fairness, the government recognize the fact that seniors in this country paid for this over the years. They understood they were paying for it. Governments accepted the money on the basis that it was a contribution to the Old Age Security that that person was going to receive. Why not introduce this temporary measure? It has a sunset clause. It does not go on forever. It really only affects a small number of people, namely, those who contributed to the Old Age Security tax. Those people who are in the clawback category would receive some contribution from the moneys that they had put in previously to pay for this pension.

These are not unreasonable propositions that the Senate has sent back. They may be less than some of us would have liked, but I think they represent the very best that the Senate could offer, while still being very careful to exercise on itself constitutional moderation. It is a way to say to the government that they understand it will object strongly if they delete the clawback. They do not like it but propose these modest, reasonable measures to introduce an element of fairness. They are meant to introduce an element of confidence for seniors that the threshold will not be totally eroded by inflation, and to say to those who have paid in the past that we recognize that you thought you were getting a pension that you were paying for. We will help to compensate you for what you have lost by recognizing that through a tax

credit system. These are not large amounts of money, but they are very important amounts of money when we consider the importance of maintaining the integrity of the system that Canada has been built upon.

• (1740)

Surely, at a time in Canada's history when our national fabric is being strained as it is, this is not the time to turn to our seniors and say: "Whatever the government says to you, do not count on it. Do not count on it, because we will look to you, just as we will to everybody else, to pay more than your share. Don't count on promises. Don't count on sacred trusts. Don't count on Prime Ministers who are willing to display their mothers on election platforms in order to generate confidence among senior citizens. You cannot believe any of those things".

Is this the message that the government is trying to send out? If so, the government is doing a very good job at it. It has convinced Canadians that it cannot be trusted. This, of all times, is a time when national trust and confidence needs to be established. Canadians need to have a government they can believe in.

What I suggest is that the government reconsider the motion that it has put forward. It should reconsider it in light of what the Senate might have done with this proposal, in light of what it was justified in doing with it, and in light of the fact that the government has put before us the most major change of social policy in a generation in Canada and has sneaked it through as part of an income tax bill. The Senate let the government do it, reluctantly, but provided minor justifiable amendments to make the new system at least a modicum more fair.

Rather than the motion it has put forward, the government ought to be considering accepting these modest amendments and acknowledging that the chamber of sober second thought has looked at this, has found some reasonable way for it to regain some of the confidence that senior citizens in Canada ought to have in it. Therefore, in the interest of trust, in the interest of co-operation in Canada, the government should say it will accept those moderate changes and will move forward on that basis.

That is what I suggest to the government. Now is the opportunity. Revoke this motion. We can have Bill C-28 through this afternoon by accepting the very minor amendments that have been proposed.