

many new job opportunities. That has not really been researched adequately in terms of where it is fact or fancy. It has been suggested by many who have looked at this question that the kind of jobs you will open up are those that not really many people in Canada would want to take today.

In addition to this there is the social question whether it should be a voluntary retirement at age 60 or compulsory retirement. I think it is well recognized that after retirement many people age more quickly than if they had remained active in the labour force. We have to look very carefully at the social implications of this suggestion.

Relative to the costs involved I would like to relate some figures. The present old age security program as of January 31, 1973, covered 1,803,378 people, with an expenditure on old age security payments alone of \$1,787,196,234. There is no doubt that that is a very significant amount of money. In a moment I will relate that to the costs that would be added if one were to go forward with the kind of proposal that has been presented here today.

In addition to this, of course, GIS recipients in Canada at January 31 numbered 1,046,736, and GIS payments were \$738,770,335, making a total expenditure for the OAS and GIS combined of \$2,525,966,569.

If one were to look at the costs in terms of reduction in ages, one would find they are very significant. I am not saying that by virtue of their significance we should not do this; I am simply saying that before any parliament would do a thing like this it ought to be aware of the implications and of the possible other priorities that ought to be taken into consideration.

For instance, to extend the OAS-GIS even a year at a time, from 65 years to 64, and the next year to 63, and the next year to 62, and so on, by 1977-78, reducing it on a year by year basis down to age 60, the extra cost would be \$1,275,000,000 per year. That is an enormous amount of money. The number of people who would be added, by virtue of that technique, by the year 1977-78 would be 942,375, according to the projections that have been calculated.

In terms of extending OAS-GIS payments to spouses between the ages of 60 and 64, this would cost a total of \$86.3 million and would cover 53,728 people by the year 1977-78, again doing it one year at a time. There is no doubt about it that these are very substantial figures, and one would have to look at this question in relation to the over-all priorities for social work in Canada.

As federal parliamentarians we know that social assistance levels are determined by the provincial governments, and through the Canada Assistance Plan the federal government pays half the cost. But when one looks at those levels one finds considerable disparity. For instance, in Newfoundland the social assistance level is \$2,340. That relates to the OAS-GIS of \$3,895. In Prince Edward Island the level is \$2,613, in Nova Scotia \$2,700, in New Brunswick \$2,124, in Quebec \$2,316, in Ontario \$2,820, in Manitoba \$2,700, in Saskatchewan \$2,592, and in British Columbia \$3,000. In every single case the social assistance level payable by the province to those in need under age 65 is less than that paid by the OAS and GIS combined. That kind of disparity does not seem to me to be appropriate.

### *Pensions*

● (1630)

In addition to this, let us look at what those on minimum wages earn, people working for a living, often with families, possibly large families, and with the family allowance, which is universal. We find that in these selective provinces—I only have information on six provinces in front of me—again the level is below that which you can get by being retired on OAS and GIS.

For anyone working for minimum wages, plus any family allowance if they are married, the maximum level in British Columbia is \$4,160. I apologize to the House; that is slightly more than the OAS and GIS level. In every other case it is lower. In the province of Ontario it is lower by a few hundred dollars a year, and in Prince Edward Island the figure is \$2,600.

When one looks at this question in relation to a married couple working for minimum wages with the addition of family allowance, one finds the same kind of problem. In fact, it hardly pays to work for a living when one relates it to what we are paying out senior citizens. I am not saying that means we are paying senior citizens too much; quite the contrary. What I am trying to say is that we have to look at the whole question of social assistance in Canada. There is no doubt that the disparity between what a person can earn for work at minimum or near minimum wages and that which they can get under social assistance or OAS and GIS is too small. It provides a disincentive to work for many people.

This brings to bear the question of priority. Some months ago the Department of National Health and Welfare brought forward a working paper on social security in Canada which outlined the important points in our social security system that need to be resolved. One of course, is the Canada Pension Plan. There is no doubt that significant amendments are required to it. There are amendments before the House now of a more modest nature in respect of the plan, and it is my understanding that more significant amendments will be brought to the House in the fall.

In addition to the proposals relating to the Canada Pension Plan, the proposals that will be put before this House in a matter of days in terms of family allowances is another forward step in this direction. The steps in connection with the OAS and GIS were taken in conjunction with the provinces, upon their insistence that we do not make any significant structural change in that particular program without prior consultation with them.

It is necessary in our federal system that the federal government, in conjunction with the provincial governments, give full and adequate consideration to all sorts of social security plans in Canada. Of course, OAS, GIS and the Canada Pension Plan are among these. I think it would be foolhardy, and the provinces certainly appear to think so, to put forward specific ad hoc solutions in isolation, without taking into consideration all implications of such moves on all aspects of social security in Canada.

**The Acting Speaker (Mr. Boulanger):** Order, please. I regret to interrupt the hon. member but his time has expired. The hon. member for Winnipeg North Centre (Mr. Knowles).