

Old Age Security Act

down concerning the categories or, better still, the forms of a reasoned amendment. The descriptions of the categories or forms of that kind of amendment are as follows:

(1) It may be declaratory of some principle adverse to, or differing from, the principles, policy or provisions of the bill.

(2) It may express opinions as to any circumstances connected with the introduction or prosecution of the bill, or otherwise opposed to its progress.

(3) It may seek further information in relation to the bill by committees, commissioners, the production of papers or other evidence.

The learned author goes on to state:

Such amendments have tended in modern times to become rather stereotyped and are confined generally to the first two categories.

Although category (3), as described by the author, may have become obsolescent in the British House of Commons, a type of that category of amendment continues in our practice under the form of a motion to refer the subject matter of a bill to a committee. Citation 386 of Beauchesne's Fourth Edition makes reference to that.

As stated on Wednesday last, and again in the description of reasoned amendments as found in May, the proposed amendment is not contrary to or opposed in any shape or form to the principle of Bill C-207, nor is it opposed to progress of the bill. It does seem to me that unless some of the conditions which I have outlined are met, the motion proposed by the hon. member for Humber-St. George's-St. Barbe cannot be deemed to be a reasoned amendment. I therefore regret that I cannot accept it.

• (1200)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when the first part of my speech on Bill C-207 at the second reading stage was interrupted by the six o'clock adjournment on Wednesday, I was commenting on the way in which the government is exploiting the plight of our senior citizens and at the same time playing fast and loose with the political process. I had intended to bring before the House a number of quotations from the record to show how often this government has said no to any increase in the basic amount of the pension, how often it has said no to putting the escalation on a basis equal to that of the actual increase in the cost of living, and how often it has said no to the restoration of the escalation to the basic amount of the pension. However, partly because both in this debate and in the debate on the budget other members are putting these items from the record on *Hansard*, and partly because there are other things I want to say, I am going to omit the extensive reading of the record that I had planned.

I would simply say that the last occasion, according to my research, when the minister was asked directly if the government was prepared to increase the basic amount of the old age pension was on Thursday, February 24, 1972, as recorded in *Hansard* at page 208. I had put the question to the minister, and *Hansard* records this reply:

HON. JOHN C. MUNRO (MINISTER OF NATIONAL HEALTH AND WELFARE): Mr. Speaker, there is no intention in this regard, but I would remind the hon. member that the last time we dealt with this matter, about a year ago, we brought in the second largest increase in Canadian history.

[Mr. Deputy Speaker.]

MR. KNOWLES (WINNIPEG NORTH CENTRE): Forty-two cents.

MR. SPEAKER: Order, please. Orders of the day.

I may add that the last occasion when this House voted on the precise question of escalating pensions according to the actual rise in the cost of living was on Thursday, March 23, 1972, and, as other members have already pointed out, the Minister of National Health and Welfare (Mr. Munro), the Minister of Finance (Mr. Turner) and all the rest of the Liberals who were present voted against that proposition at that time. Now, just before an election, we have this conversion. We welcome it. Even though we may feel there is cynicism in it, we feel that the small benefits being provided in this legislation should get to the people concerned just as soon as possible. If the earliest that these benefits can be given to them is in the cheques they receive at the end of June, I trust the House will give this legislation speedy passage so that technicality can be achieved.

Actually, what flows from the criticisms we have been making of the government for its cynicism, and the way it is doing things on the eve of an election, is the simple fact that the escalation should never have been taken off the basic old age pension, that the escalation should have been put on a basis equal to the actual rise in the cost of living and that there should have been a substantial increase in the basic amount of the pension long ago.

I should now like to comment on some of the features of the legislation which is before us. In a number of instances, I shall be expressing my pleasure and approval. In other instances, I shall have to complain very strongly that the bill does not go far enough.

The first thing I want to say by way of approval concerns something that is not in this bill but is in the budget proposals, namely, the extra exemption to be allowed persons 65 years of age and over which is to be increased, effective January 1, 1972, to \$1,000 a year. This is a welcome increase, but I still think that those who are asking for higher exemption levels for our senior citizens are on the right track, except that I would recommend very strongly that relief from taxation for senior citizens should be achieved not by the method of higher and higher exemption levels, but by the method of a tax credit. What is really required is an amendment to the income tax law which would provide that persons living on pensions shall pay no income tax if their incomes are below \$3,000 single or \$4,500 married. I use those figures because they are the figures a number of organizations have been presenting, and because I think they are very responsible. We welcome the slight improvement in this area, but let the government not think it has gone as far as it should.

The second thing I should like to say is that we welcome most strongly, and perhaps this is the feature of this bill which in terms of principle is most important, the breaking of that 2 per cent ceiling. For the past several years, it has been a crime the way in which we have given old age pensioners an increase of 2 per cent when the cost of living was going up 4 per cent or 5 per cent, so that they were actually worse off in the end. This change that has now been made is, in fact, long overdue, that is putting the escalation on a basis equal to the actual percentage increase in the cost of living. However, I am in full sympathy with those to my right who have been pressing the