

Old Age Security Act

● (4:30 p.m.)

A retirement pension, as everyone knows, is payable to a citizen between 65 and 70, if the contributor ceases to have a permanent job. If he earns \$900 or less, he is considered as retired and can apply for pension. Those who take a job after they receive a pension are subject to a means test. If the income from this job is between \$900 and \$1500 a year, the pension is reduced by half the amount earned over and above \$900, the maximum reduction being \$300. If the annual income exceeds \$1500, the pension is reduced by \$300 plus the balance over \$1500. However, no reduction will be made for the months when the pensioner's income is not more than \$75, regardless of his annual income. After 70 years of age, however, the pension is paid in full. Whatever the earnings, the limits mentioned above will vary according to the changes made in the pension index.

In its white paper on income security published a few months ago, the federal government proposed several changes to improve this plan.

The proposed changes cannot come into effect before January 1973. It is a mere technicality, because the provinces must be consulted and since the law provides, as I said a while ago, that a three year advance notice is required before any change is made. The main amendments are as follows:

The maximum pensionable earnings will be gradually raised from \$5,500 in 1972 to \$7,800 in 1975.

Benefits will be based on a maximum average of pensionable income of \$7,800 (benefit under the unamended program). The maximum will reach \$162 in 1977, from \$121 in 1976 when the plan comes into force, over and above old age security benefits.

Disabled persons will receive a maximum of \$199 a month in 1973; they now receive \$114, which will be increased to \$249 by 1977. Wives of disabled contributors will receive a flat amount of \$80, when the disabled contributor is less than 65 years old, with dependent children. Widows will receive a maximum of \$170 per month in 1973; they are now receiving \$71 and will receive \$208 by 1977, whatever their age.

Some special adjustments will be necessary. Those receiving pensions as widows or wives of disabled contributors in 1972 will have their benefits adjusted in 1973 according to the scale of increase.

We could go into more detail about old age security. Under an amendment to the 1951 Old Age Security Act, the federal government is paying a standard rate of \$80 a month to all persons who meet the age and residence conditions. The old age security system protects almost all aged people, except the few citizens who do not meet the residence requirements.

The old age security system offers a basis on which all Canadians may rely on for their retirement income. This is the standard rate basis on which the guaranteed pensions have been established for the Canada Pension Plan and the Quebec Pension Plan. It is also the base on which the guaranteed income supplement is calculated.

[Mr. Isabelle.]

Mr. Speaker, I would not like to take more of the time of the House to remind the hon. member for Abitibi that I insist that he asks his colleagues to give in the Quebec National Assembly the magnificent speech he has just delivered. I hope the Assembly will take the matter into consideration since the issue that the hon. member has just raised in the House falls under provincial jurisdiction. We have basic security plans, but their application is left to the provinces, as it happens with the Canada Assistance Program, which allows to do a lot of things, but unfortunately the provinces do not seem interested in using it. They had the opportunity to do so, because it is up to them to decide on the implementation of this plan. Again, we have an assistance plan which in my view is extraordinary, which could meet all the needs, and again I hope the hon. member's speech had been made in the Quebec National Assembly.

[English]

Mr. R. N. Thompson (Red Deer): Mr. Speaker, it is a pleasure to participate in this debate in order to support the principle of the resolution moved by the hon. member for Abitibi (Mr. Laprise). It is also a pleasure to speak on behalf of that group of people whom I believe are the most deserving in our society and, tragically, in many instances are the most needy. I could not help smiling at the remarks of the hon. member for Hull (Mr. Isabelle) when he reminded the hon. member for Abitibi that he should make sure his speech is drawn to the attention of the National Assembly of Quebec. It would seem to me that a member representing the government party would be much more able to give such advice than a member who sits in the opposition in either the National Assembly or in this House.

Although I support this motion in principle, I cannot support it in its detail, in that the hon. member suggests the pension should be available to the spouse at the time of the passing away of the other half of the family who was eligible. This would make the spouse eligible at a younger age than 65. I agree with the principle, but let us consider this example: Suppose the Prime Minister (Mr. Trudeau) should have a normal life span of three score years and ten, and after he had been eligible for the old age pension for five years he should pass away. That would mean that his surviving wife would be eligible for the pension at 41 years of age.

I do not really think it is necessary to make a surviving spouse eligible at such an early age. Perhaps it would be better to set a minimum age such as 60 years or something similar. I am sure this would meet the need the hon. member has in mind, because I know that very often the surviving spouse is in great difficulty. So in principle I believe this motion represents a real need.

● (4:40 p.m.)

However, Mr. Speaker, apart from that there are several other points which I think are logical, which could well be implemented without any great cost to the government or to the taxpayer and which would substantially help our senior citizens who are eligible for pension. I think there should be an increased exemption