

Old Age Security

people have lost confidence in paper money and ordinary securities and a great deal of private investment has shifted toward real estate. So not only do we have some shortage of money and lack of confidence in the financial markets, but there is less money available for risk and venture capital and new business.

Though we may talk about the causes of inflation and though we should try hard to combat it in every way we can, a very practical approach to the problem through the parliamentary processes would be to make sure that our social security legislation prevents hardship in the lower income groups. In spite of inflation, the majority of Canadians are prosperous and an hour of working time still buys more beef than an hour did ten years ago.

The Minister of National Health and Welfare (Mr. Lalonde) in April this year published a working paper which brought out certain basic values that our Canadian social assistance program should enunciate. First, Canadians should and probably do believe in the independence of the individual. Second, they believe in the responsibility of each person to his neighbour. Third, they believe that there should be equity and justice in the distribution of benefits in this prosperous society.

In other words, we must have independence but also interdependence. As far as possible, all citizens should enjoy good mental and physical health. In this regard we must never forget that good fortune in health is often due to nothing but good luck. In addition, one should consider how Canadians look at the idea of the work ethic. Typically, almost everyone enjoys working for his living, his family and his retirement, and with good grace gives a portion of his earnings to his less fortunate neighbours. We, as Canadians, feel that it is not just the lazy who should get a fair share of leisure. However, we as Canadians also feel that the powerful people in our society should only get their fair share of the increases in national income.

Canadians no longer condone nor admire the private accumulation of great amounts of wealth; nor do they like to see great disparities in income, no matter how menial or, on the other hand, how important a man's occupation may be. Just this morning a report from the board of directors of the Ontario Medical Association discussed this question of professional income. In the past ten years doctors have made money, but they work long hours and accept great responsibility. This will gradually be changed as we learn to cope. We now have very good reasons to apply these ideas and principles that I have enunciated to the present legislation. We can provide escalation to both the old age security and guaranteed income supplement according to the consumer price index.

The working paper of the minister which I mentioned earlier envisaged a joint review by the federal and provincial welfare ministers of the total Canadian social security system, to be completed in two years. It forecast implementation of an agreed upon policy within three to five years, this to be within existing tax levels and following the guidelines coming out of the conference. For instance, family allowances were to be increased by January 1, 1974, and Canada Pension Plan amendments would hopefully be fully escalated in relation to the consumer price index by 1975.

[Mr. Railton.]

A guaranteed annual income would eventually be available to those people whose earnings are insufficient because of inability to work, or to those people who are not expected to work, such as the retired, the disabled, the single parent families or the unemployables. The latter category results from such factors as age, lack of skills or length of time outside the labour market. This guaranteed annual income was envisaged as being paid in addition to the general income supplement.

These ideas are innovations, but it is obvious in our society that fit and combative people usually do well financially whereas the disabled, the unfit or the non-self-assertive people frequently suffer by comparison. In many primitive societies both in North America and Africa, though cruelties in wartime existed, the aged, the infants and the misfits usually received kindly treatment and a share of the tribal prosperity. They were also included as full members in these primitive societies' activities and consequently had a feeling of belonging.

This act is the beginning of a new recognition of an old fact—the need to supply one section of the community, the elders, with at least a minimal or sustenance level of income. The new act simply changes the old as regards escalation of payments. It brings in quarterly increases related to the consumer price index both on the old age security cheque and the guaranteed income supplement. It does this for both single and married recipients. It does not provide a guaranteed annual income, as it might hope to do in the next five to ten years, at what I would call a dignity level, but it does at least ensure that the old age pension cheque and the guaranteed income supplement will increase quarterly with the consumer price index.

In conclusion, Mr. Speaker, present inflationary trends may continue despite attempts to turn the tide and all attempts of the opposition to help the government—and I say that advisedly—to provide good legislation to do so. However, since the Canadian economy appears to remain buoyant we can afford this scheme. It will cost us a great deal, but this in turn may dampen the economy's boom. Finally, we must not forget that the next logical step in the future will be to consider the necessity for legislating a guaranteed annual income. Who thought of that first?

I would just like to say, since I have had my chance to speak, that it is my feeling that this debate could soon be brought to a close and the matter sent to the committee of the whole.

[Translation]

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like, if I may, to comment briefly on Bill C-219, which is in my opinion well adapted to the present circumstances. We must readjust old age pensions to take into account the increases of recent months in the cost of living. I have listened to several comments since yesterday and, of course, it seems that all parties are generally in favour of this legislation tabled yesterday by the minister. I for one will certainly not hesitate to support this legislation which corrects the difficulties with which senior citizens have been to grips for some time.

I have also listened to certain suggestions that the amounts which should be allowed to senior citizens could be higher than those presently awarded. I believe it is not