

Old Age Security Act Amendment

desperation some people may be tempted to file incomplete statements in order to obtain the larger amount.

The maximum amount envisaged by the resolution before us is \$30 which increases the pension to \$105 per month for a single person and \$185 for a married couple. The minister's statement indicates some variation in these amounts depending on income, but basically this is the picture.

There is an amendment before the house which creates somewhat of a problem. The amendment states:

The government give consideration to introducing a measure to amend the Old Age Security Act, effective with respect to months beginning with January, 1967, to provide for the payment out of the consolidated revenue fund and for charging to the old age security fund under that act of an additional monthly amount of \$25.00 to all pensioners thereunder.

Now we are placed in a position where apparently we have to decide between a \$100 basic rate with no means test for old age pensioners and the \$105 contained in the resolution with the income test which has been outlined. I cannot predict just what the reaction will be when we make a decision as between those two particular figures. However, that is what we will be faced with.

Some time has elapsed since the committee report was tabled. Even then the amount suggested was considered inadequate and was offered as an interim recommendation only until a definite formula had been established to set rates of pension. About that time, a Canadian conference on aging was held in Toronto and the proposals emanating from their deliberations were \$138 for a single person and \$223 for a married couple, and that there should be continuous review of budget standards to ensure that the living standards of the elderly are kept in harmony with those of the rest of the community.

In 1958 the Social Credit party advocated a basic old age pension in the amount of \$100 per month. We maintained at that time that the country was well able to carry that responsibility. Once again it seems that we were in advance of the times in that only now do we have such a recommendation before us in the resolution.

In line with the many representations made by old age pension groups and others we urge the government to raise the basic pension to \$100 per month or \$105 per month and then, if considered advisable, to proceed to a study designed to establish a minimum income level above that figure. I suggest that this should

[Mr. Patterson.]

not only be granted to old age pensioners but that careful examination be given to the possibility or desirability of expanding it gradually to take in all the citizens of this country. This would to some degree assuage the resentment in the hearts of some over the seeming injustice of the plan in that those who are thrifty and have made sacrifices to assure themselves of say \$30 per month are not eligible for the supplementary amount while others, perhaps a little less thrifty, do qualify. I am not speaking of those who through circumstances beyond their control and in spite of every endeavour to provide for retirement years have been unable to do so. Limited opportunity, low wages, and the raising of a family have combined to deprive these people of financial security. I refer only to those who have lived to the limit of their income unnecessarily and who now, without income other than old age security, will be eligible for the larger amount.

A constituent has expressed this point in the following words:

A poor chap who has laboured for years (and I know many such) through the "no pension" era, the seven, and six-day work years, the no-holiday years, the very restricted pension era—with means test, the depression and lay-offs in industry—and yet has, despite all wrung some savings from nearly nothing of income margin—if he has saved even \$35.00 per month, this, plus his \$75.00 O.A.P. puts him \$5.00 above the extra assistance ceiling. He will get nothing.

Another chap, who lived the life of Riley, or of the proverbial "grasshopper green" and saved nothing, has his \$75.00 and will get the whole \$30.00 proposed handed to him. Why were we not all wasters and spendthrifts—we would be subsidized for it under present thinking, not penalized—as we are for having saved?

I want to state that this person also has made it clear he is not referring to those who because of impossible circumstances were unable to save, but to those who were unwilling to save.

In conclusion I urge that very careful consideration be given to the first recommendation of the Senate committee as it appears on page 18 of the committee's report, namely:

The establishment of a technically competent body to study the income needs of older people and to develop a socially acceptable minimum budget for single persons and couples, which would be adjusted automatically each year on the basis of a suitable index of consumer spending or of earnings, with a review every five years to reflect changes in the relative circumstances of the working population and the retired population.

We have stated many times that the needs of the aging members of our society should not be the subject of political consideration