

Old Age Security Act Amendment

argument against our position, perhaps I should deal first with the argument in respect of increasing the pensions of those whom he describes as persons with high incomes. The members of the House of Commons and the other place I think were the two examples he chose to use. In this connection, I simply say that, while on the surface it perhaps does seem not the greatest path of wisdom to increase the amount of dollars available to somebody who already enjoys a substantial income, this must not be the end of that thought process. We must go on further, and realize that these people over their lifetime have paid into this pension fund. What we are concerned with is not whether the people of Canada are going to give a few extra dollars to somebody who is earning a substantial number, but rather whether or not the principle itself is valid.

● (5:40 p.m.)

At some time, ten or 15 years ago, it was determined that universality was the only right and proper approach to this problem, and if that was the right approach 15 years ago it is the right approach today. Nothing has happened during the course of the past 15 years to change that approach to what is an increasing problem.

Over a period of years, the people have paid in dollars and cents through income and other taxes to sustain old age security payments. What they have paid in during their working lives must remain theirs by right to withdraw. The minister knows this is a valid principle. The hon. member for Saskatoon (Mr. Brand) read into the record some comments hon. members made at the time this whole matter was trashed out some 15 years ago and there is no need for me to reiterate them. Let me say they were accepted as valid at that time and have not been challenged during intervening years. There has been nothing said or suggested to date that should in any way undermine the validity of those remarks today or tomorrow.

Let us look at the \$75 basic pension in terms of what has happened to our economy, our cost of living and productivity. If I understood correctly what the minister has said, he will be able to provide a supplementary benefit in the order of 40 per cent. Surely, if the minister does a little basic arithmetic he will find that it is in fact 34.7 per cent, based on current figures which we understand to be valid. I do not refer to projected figures which may relate to any increase which might be built into these figures during the next ten years. The amount

[Mr. Forrestall.]

of the supplement, as of now, will be some 7 per cent less than the minister has indicated to the Canadian people will be the result of this measure.

Surely, we are not wrong in advocating that the basic pension should be increased to \$100 across the board. It is not valid to argue that this would be a waste of the Canadian taxpayers' money. All we are suggesting is that we return to the Canadian people that which they have paid in and deserve as a matter of right.

It is not our job in the parliament of Canada to penalize the initiative of Canadians to make a good living in this country. Indeed, we should be making it possible and easier for them to do so. As a young man in a young nation, I believe what the right hon. Leader of the Opposition (Mr. Diefenbaker) has said, that we have an obligation to our elderly citizens which transcends the question of to whether or not they should receive pensions as a matter of right. There is a stronger and perhaps more compelling obligation on our part to increase old age pensions. The government should recognize the position which has been taken by members of this party. We owe these people a moral obligation, and I, as a young citizen, have no qualms about acknowledging that debt to our senior citizens.

As was pointed out by the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Vancouver-Kingsway (Mrs. MacInnis), any money that is invested in this program by the government will be returned to the government on an accelerated basis in the form of taxes, particularly by those who have higher incomes.

It would be interesting at this stage, before we pass on to the next stage of this bill, to receive from the minister some statement as to the form of application he intends to use in determining the incomes of applicants. The bill itself, at page 3 in clause 9, refers to the calculation of income for a year on the basis of income as computed in accordance with the Income Tax Act. When one looks at the Income Tax Act he sees that the definition of income is set out from page 5 through to page 33. This is a little broad and difficult to understand, even for those who work with it daily. It would be useful if the minister could give us some details in respect of the form of the application to be used in calculating income.

It would be interesting, and certainly of considerable use to hon. members of this house, if the minister would give us some details regarding what has been referred to by