

completely excluded from this legislation. Can the Hon. Member tell us his position in this regard?

[*English*]

Mr. Keeper: Mr. Speaker, I would like to thank the Hon. Member for elaborating on the weaknesses of this legislation. Clearly, those weaknesses need to be redressed. The Government is taking some incremental, piecemeal action which, of course, deserves support because whenever we can extend benefits to those in need, we should do so and do so expeditiously. I would like to thank the Hon. Member for pointing out additional faults and gaps in the legislation to which I did not refer in my speech. I believe those gaps needed to be closed as well.

The Acting Speaker (Mr. Charest): Questions or comments? Resuming debate.

[*Translation*]

Mr. Vincent Della Noce (Duvernay): Mr. Speaker, in rising to speak in today's debate on Bill C-26, an Act to amend the Old Age Security Act, I wish to express, first of all, my full support for this legislation.

The Bill embodies the policy announced in the Throne Speech on November 5 of last year, by extending the income tested spouse's allowance to widows and widowers aged sixty to sixty-four regardless of the age of their spouse at death. The objectives of this legislation have been defined, first of all, in terms of improving the financial situation of a particularly vulnerable group of Canadians.

Mr. Speaker, the Bill before the House today is a very important one and is to be seen as a measure that will improve our universal system for the basic old age security pension and also as a way to encourage low-income taxpayers. The purpose of this amendment is to ensure that the Government's social policies are adapted to the constantly changing needs of our society. By tabling this Bill the Government has shown it is concerned above all about redirecting programs to make them of greater benefit to those Canadians who are most in need.

To do so, the Government is reconsidering tax exemptions which today mainly benefit the wealthier taxpayer. In the case of programs for the elderly, it was obvious that this amendment was necessary. Mr. Speaker, we must not forget that the Government has no intention of cutting benefits to low- and middle-income Canadians who are retired or are about to be. We are not only concerned that our social policy should be in line with the needs of these people or groups of people, we must also ensure that our income support programs are in line with our socio-economic objectives.

Bearing in mind the fact that the universal old age security pension is only part of the Federal Government's system of benefits and advantages provided for our senior citizens, we are fully aware that considerable improvements remain to be made to the system itself so as to provide for a better distribution of funds allocated under existing programs. Since the

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Government intends to consider carefully what is involved in each element of the system of benefits and advantages provided for the elderly, there is certainly no question of betraying the social commitment we made to the Canadian people several months ago.

Canadians have a three-tier pension scheme: the OAS program, the Canada Pension Plan—or the Quebec Pension Plan—and private pension plans. Since the OAS program was launched over thirty years ago, the Government has always urged Canadians to consider the basic old age security pension as a starting point on which to build their retirement income, and all our private or public retirement plans have been designed in light of that principle. That explains why most Canadians expect to get the old age security pension since they have contributed to the pension fund of others who have retired before them. We intend to make sure that people who are now planning for their retirement will also be able to rely on that source of income, like others who are now retired.

Anxious as we are to improve the benefit sharing formula which elderly Canadians now enjoy under our system, I want to say today that I fully agree with this progressive measure, Bill C-26. Mr. Speaker, I should think that most Members see nothing untoward in the purpose of this Bill to amend the Old Age Security Act. To understand the significance and scope of this amendment, one must compare the proposed and the existing formulas.

Now then, what exactly is the existing spouse's allowance program? It is a monthly allowance subject to a means test and offered to the 60-to-64 spouse of a retired individual who receives the basic old age security pension and the guaranteed income supplement.

Mr. Speaker, I should point out that the allowance is geared to income, in the sense that the higher the income, the lower the allowance. A recipient of the spouse's allowance who becomes a widow or a widower is entitled to the allowance until age 65.

Under Bill C-26, eligibility for the spouse's allowance program would be extended to a category of people, mostly women, who are most in need. Under the existing provisions, as we all know, the allowance can be paid only to the spouse of a pensioner, alive or deceased, who receives or has received the guaranteed income supplement. Estimates and recommendations in that respect made by the task force on pension reform show that 85,000 Canadians should benefit from this amendment.

Mr. Speaker, I should like to take this opportunity not only to express my support for this bill but also to answer the allegations made by our colleagues opposite who suggested that the bill is both discriminatory and incomplete. However, I remain convinced that, when they hear the arguments put forward during our sittings, our Liberal and NDP friends will