

Old Age Security Act Amendment

because they would be paying most of it back anyway, but the minister is separating this in between group and saying that these people cannot get supplementary income, and in this respect I say that the government is being most unfair.

I have spent longer than I intended on this point. There will be plenty of opportunity to come back to it during discussion of the clauses that follow. When we reach those clauses which deal with the income test, and particularly that clause which deals with the kind of declaration that applicants will have to make, I hope that the minister will give us a pretty firm indication what these forms are going to be like and what kind of questions these people will have to answer. We have not been given that kind of information in connection with some other measures that have gone through the house. In this case the minister is making much of the fact that all that is going to be required is a simple income declaration, but I will wager a good deal that when the form comes out in January, or whatever month people get it, it will defy the definition, simple income declaration. If it is going to meet the conditions laid out in the clauses in this bill, there is not going to be anything very simple about it.

So, Mr. Chairman, as I said when I rose, my objection to clause 1 is that it creates the basic distinction now being established between a pension and a supplement. Gone are the days when old age security was one and the same for every person. I think this is a retrograde step and a mistake. I welcome the fact that the new figure for the old age pension is being set at \$105 a month, but I maintain that the pension ought to be given to all who reach the eligible age, without any means or income test.

Mr. Rynard: Mr. Chairman, I simply wish to reiterate our stand. The figure of \$75 a month was the pension after the increase that was granted in 1963. Since that time there has been great inflation across the land. In the past year we have seen wages go up by as much as 30 per cent and 35 per cent. Food costs have gone up 10 per cent. Rents, depending on location, have gone up 10 per cent to 25 per cent. Nothing has been done to correct this situation. In other words, we are three years behind in correcting this problem. Had the minister introduced his guaranteed income plan after correcting the deficiency between the increased cost of living and the old age security pension, I could have agreed with

him. But the minister did not increase old age security during that period.

In our opinion the principle involved in this bill is a negation of what the house passed in 1951. In our opinion it is a step backwards. In view of all our social services and the advances that have been made over the years, when we treat our old people who built up this land in this way, then in all conscience we must say our treatment of them is retrograde.

● (7:50 p.m.)

I want to repeat the point that was made so well and so ably by parliament in 1951, namely, that thrift should be recognized. These people have worked all their lives and through thrift have been able to accumulate a little. They have paid income tax, municipal tax and sales tax, thereby contributing millions of dollars to the treasury of this country. By this measure we are now telling them that they cannot benefit as a result of their thrift or their contribution through taxes. These people through their efforts have made this country and have helped make it possible for us to attain a better standard of living than we could otherwise have accomplished.

In 1951 it was decided that the cost of administering the Old Age Security Act should be kept to a minimum. The minister now tells us that with this change administration costs will be in the neighbourhood of \$1,500,000. I do not quarrel with that statement because I am sure the minister has gone into this aspect, but I do wonder what problems he will encounter when an additional 500,000 or 600,000 people will be receiving—

Mr. MacEachen: It will be 900,000, approximately.

Mr. Rynard: The minister has added to my apprehension by increasing the figure. He will have difficulties in dealing with increases in payments. How does he propose to carry out administration in this regard? Many of these people will have to fill out additional forms. One of the projects of his department must be directed toward instructing these people in the proper method of making out applications. I should perhaps go a little further and state that it will cost a great deal more to administer this plan with its changes than it cost to administer old age security in 1952.

The third point I wish to make is that these people have a great deal of pride and will accept additional money on the basis of right but will develop a psychological resistance if it is offered on the basis of charity. It has