

Old Age Security Act Amendment

guaranteed income. That is unfair. Many persons entitled to old age security are required to live in another country for health reasons at certain times. I think this kind of amendment is unfair to those people.

In my opinion the cost of administration will multiply rapidly. I do not think the minister has given sufficient consideration to the future costs of administration of this amended act. I know that in British Columbia, whenever legislation requiring a means test or needs test has been introduced, the cost of administration has risen annually. I have talked to social welfare workers who have told me so. Any means test involves a great deal of investigation and that sort of thing. Without a doubt there will be appeals under this act. There will be other costs and there will be a great many mistakes by persons entitled to draw the guaranteed income because of the complexity surrounding this whole matter.

Is it worth while, Mr. Speaker, to save \$100 million now by the introduction of this bill when the principles of the Old Age Security Act can be maintained from our point of view—shall I say—in a certain way. I give this illustration because the other day when somebody on the government side of the house asked how we could save \$100 million the hon. member for Winnipeg North Centre said “on defence”. I bring this to the attention of the house. I think we could save \$100 million on our defence expenditures. In that connection I think the government has failed to correlate its policies to deal with this measure.

I want to quote some remarks reportedly made by the present Minister of National Defence (Mr. Hellyer) as contained in the *Ottawa Journal* of Wednesday, March 2, 1966. The headline reads “NATO ‘Top Heavy’—Hellyer”. This is what the article says:

Change is inevitable in NATO, Defence Minister Hellyer said Tuesday.

He told the Canadian Club it was time to take a hard look at the alliance and the form it should take in the next decade or two. Mr. Hellyer said NATO is becoming “top heavy with headquarters and bureaucratic machinery.”

● (9:50 p.m.)

He cited what he called the “plethora” of military headquarters. Mr. Hellyer suggested NATO could make savings of some \$7,000,000,000 annually on its present annual gross defence expenditures of \$74,000,000,000.

In other words, nearly 10 per cent could be saved by cutting out the waste incurred at the present time.

He said such savings could be used for better weapons and equipment and for more aid to underdeveloped countries.

I quote from this statement by the Minister of National Defence because some of this \$7 billion is coming from the pockets of the Canadian people in the form of taxation to pay for this bureaucratic and overloaded NATO structure. I believe the minister knows what the policy of this party is with respect to NATO in the changing conditions of the world today. We think there is need for the government and for the members of this house to reassess our role in NATO and determine how we can best contribute to the maintenance of peace in the world in present circumstances. I do not intend to pursue this theme in any detail. I merely mention it to indicate a direction in which we can save a considerable sum of money, according to the Minister of National Defence.

Recently I asked some questions about the cost of NATO to Canada. These questions were answered on July 6, 1966 and the answers may be found on page 7260 of *Hansard*.

1. Total contributions paid by all NATO nations to the NATO commonly financed infrastructure program since it began in 1951 have amounted to approximately \$2,694,000,000 up to March 31, 1966. Canada's contributions paid during the same period have amounted to \$152,300,000.

2. The estimated capital cost of the aircraft presently supplied to No. 1 air division as at April 30, 1966, amounts to \$211,600,000. Additionally, the capital costs of the fixed facilities at the Canadian bases of No. 1 air division are estimated to have cost \$14,700,000, of which \$11,000,000 was spent in France and \$3,700,000 in Germany. These costs do not include the costs of those facilities commonly financed by the NATO infrastructure programs referred to in 1 above nor do they include the cost of facilities in Germany financed by Germany as a charge to occupation and defence support costs.

3. The total estimated annual cost of maintaining No. 1 air division is \$85,300,000. This figure includes certain elements of annual cost incurred in Canada in support of the air division such as operational training and airlift support.

4. The estimated total annual cost of maintaining No. 4 CIBG in Germany is \$64,500,000. This figure includes the cost of ammunition supplied from Canada and airlift support costs.

5. The estimated annual cost of transporting defence forces and their dependants between Europe and Canada is \$7,500,000. This amount includes costs of moving and storing household goods in Canada and airlift support costs for passengers.

I suggest that the government could well reassess its role in NATO if it wishes to save the \$100 million for which the minister is looking in order to pay this increase to old age pensioners. I wish also to draw the attention of the Associate Minister of National Defence (Mr. Cadieux) to a statement made not long ago by the German ambassador that Canada did not play a particularly effective role in NATO but that its presence there had to do