

Canada Assistance Plan

the state. The minister says this test is different—a needs test instead of a means test. He says that may be these people could get even more money under this arrangement than they might get under a flat rate increase.

● (9:40 p.m.)

I emphasize that it is only a "maybe". It depends on the province taking the initiative. It depends on the province looking at the money that is available and deciding in which of the areas it is going to spend it. But even if there are funds available for supplementing the pensions of retired persons, I say this business of re-introducing a test—call it a means test or a needs test—is a retrograde step for Canadians to take.

One of the most important steps that this parliament ever took was when it removed the means test from the old age pension at age 70, and it is good that we are gradually bringing the eligible age down to 65. But by this Canada assistance legislation the government is saying no to all of the pleas that have been made from this side of the house, and by my good friend from Brantford, and I am sure by others in the Liberal caucus, for an increase in the flat rate of benefit under old age security. It is saying: No, we are going to make a welfare supplement available on the basis of a needs test.

No matter how much or how little individuals in need may get relief because of the money proposed to be provided under this measure, I think we will rue the day that we reinstated a testing program, so far as our retired people are concerned. In his statement last night the minister made the assertion that no industrialized country in the world has been able to solve this problem without social assistance, and he indicated that there are three ways in which something could be done for older people. One was a flat rate pension, a second was social insurance, and the third was social assistance.

The minister said that no matter what you did under the first two, the flat rate program and the insurance program, you could not avoid falling back on social assistance. I give the minister credit for saying, and in fact I quote him, that we should minimize our reliance on social assistance.

But I suggest that even if there is validity in the argument he used, and I do not agree with him, he is not living up to his own dictum, that we should minimize our reliance on social assistance, because he is leaving the old age security payment at \$75 per month,

[Mr. Knowles.]

and in effect asking that most of our senior citizens rely on social assistance. Apart from that, I wonder if the minister realizes how critical a comment he made last night with respect to the Canada Pension Plan. I do not speak as one who opposed the Canada Pension Plan. I fought for it harder than some people on the Liberal side of the house, and insisted that the house stay in session until it was passed.

But one of the things the Liberals kept telling us during the election before they assumed power, and in their propaganda about the Canada Pension Plan, was that the combination of the Canada Pension Plan and old age security would provide adequate retirement benefits for the Canadian people. Last night the minister stood up and said, "No, it cannot be done. The flat rate program and the insurance program are not enough. We are going to have to rely on social assistance for a supplement."

I say by that comment the minister criticized the Canada Pension Plan as not providing all that its proponents said it would, and at the same time he criticized the Old Age Security Act for not providing more than the present \$75 a month. Despite his statement that we should minimize our reliance on social assistance, I say to him that by this measure he is asking the old people of Canada to maximize their reliance on social assistance, because these old people we are talking about do not have the Canada Pension Plan to fall back on. All they have is the flat rate benefit.

The minister is saying to them, "We cannot do anything for you under the Canada Pension Plan because that legislation was not designed for you, and we cannot do anything for you under the Old Age Security Act because the Minister of Finance (Mr. Sharp) will not give us the money to raise the pension. Your only recourse is to fall back on social assistance, and so we are providing that, with the old means test re-introduced."

Granted, the name of the test is being changed. It is being dressed up a bit, but it is still a case of asking our older people to rely on social assistance for a chance to live. I submit that this element in the legislation is the one that enables me to stand here tonight and praise the good things that are in the bill, and also to say that it contains a retrograde step that the parliament of Canada should not be asked to take.

I hope that before this legislation has had the consideration I trust it will get in the