

*Old Age Security Act Amendment*

The resolution before the house is as follows:

That it is expedient to introduce a measure to amend the Old Age Security Act, effective with respect to months beginning with January, 1967, to provide for the payment out of the consolidated revenue fund and for the charging to the old age security fund under that act of a monthly amount, to be known as the guaranteed income supplement, to certain pensioners thereunder up to a maximum of 40 per cent of the amount of the pension payable under that act; to provide for the determination of the income of a pensioner for the purposes of such supplement and for appeals by pensioners against decisions or determinations made under that act; and to provide for other related and consequential matters.

There are several principles enunciated in this resolution and the first is the principle of a guaranteed income for senior citizens. On page 19 of the report of the Senate committee on aging we find a recommendation couched in the following terms:

The committee endorses in principle the institution of an income guarantee for all persons aged 65 and over and recommends to the federal government that this proposal be given immediate study.

On subsequent occasions, at least two ministers of the crown have given approval to this concept not only as it applies to this age group but eventually including all Canadians. Speaking in Gore Bay, Ontario, on Friday, March 18, 1966, the Minister of Agriculture said:

It would not surprise me, as automation increases and more and more of our prosperity is produced by machines rather than men, if this idea of a guaranteed minimum income turned out to have real possibilities as a part of over-all government manpower policy.

Later he said:

It does not seem impossible to me that one day we might find the simplest and most efficient way of meeting this challenge of revolutionary economic change will be to introduce a guaranteed minimum income for every family in Canada, maybe even every adult.

He also said:

I wouldn't be surprised, if a careful economic analysis were made, to learn that it would cost little more than the tangled melange of welfare programs already in effect across the country.

One of the most important questions is how such a plan is to be implemented. The idea of the means test is repugnant not only to the potential recipient but to the finer sensibilities of society charged with its implementation. We are gradually moving toward the implementation of one of the early proposals of the Social Credit movement which was based on the principle that every citizen of Canada

had a right to an income which was his share of the affluence resulting from technological and scientific developments across our nation. This was envisaged for all, regardless of economic status. This is another instance where Social Credit was perhaps several decades ahead of public opinion.

What are the conditions of eligibility as outlined by the Senate committee and the procedures to be followed in administering the suggested income guarantee plan? They are, first, ten years residence and net cash income from all sources, including old age security and the Canada pension plan, below the amounts of \$1,260 for single persons and \$2,220 for married couples; second, that the program be administered and financed by the federal government; third, the completion of a simplified income form annually and that the amount by which the declared income falls short of the established minima in any year constitute the benefit for the year following; fourth, that there be "sample checks" periodically, as under unemployment insurance, to catch abuses, but no means or needs test inquiries on traditional lines; fifth, income, capital and deductions be defined and treated as for income tax purposes so far as possible, except that all public transfer payments other than temporary needs-tested supplements would be included.

● (7:20 p.m.)

I refer to these conditions because it seemed to us, in following as well as we could the rather lengthy and involved statement of the minister, that it followed rather closely although not entirely the qualifications laid down by the Senate committee on aging. I note that the supplementary payments which are now made by the provinces will not be included in arriving at the income figure. I believe this to be very wise. Also our understanding is that the value of assets does not constitute an impediment to the receipt of the additional amount but that it is solely and entirely based on the amount of income. Further, according to the minister, apparently the simplified forms will be less repugnant than other income tax forms which we are all required to file. If the government refuses to eliminate completely the income requirement, it must be minimal and of such a nature that present inquisitorial methods which are used to discover the income of our senior citizens in some categories must not be used by those whose task it is to ascertain the rate of supplementary income. Even so, there is inherent in such a requirement the danger that through