

Old Age Security

designed to enable all pensioners, including those from 65 to 69, to continue to work full or part time and receive wages. Before these amendments were passed, contributors between 65 and 69 had to retire from regular employment before they could qualify for Canada Pension Plan benefits, and recipients of these pensions aged 65 to 69 faced the prospect of having their pensions reduced if they earned above a certain amount.

I am surprised that the hon. member's motion is designed to make a pension payable at age 60 only on condition that the individual retires. Surely this flies in the face of all recent moves to allow senior citizens to continue to work while receiving a pension. This may suit some professionals who can readily resume their work again at age 65, but surely it works to the detriment of the average working man.

The second substantive part of this motion calls for an increase in the old age pension to \$200 a month. I do not think that this is unreasonable at all. But I want to point out that an individual who receives the old age pension and the guaranteed income supplement at present already can receive \$209.99 a month—as much, indeed more than the hon. member's motion calls for. I realize that it is the basic rate of pension, now at \$123.42, that the hon. member wants to raise, but I feel it is worth noting that those who need the higher amount can already receive it under the existing plan.

We have indeed come a long way since 1926 when parliament first passed legislation giving senior citizens the magnificent sum of \$20 a month at age 70. In the last two or three years alone the budget for social security, for old age pensions, has doubled from \$2 billion to \$4 billion, and income tax exemptions have been provided to allow a couple over 65 to earn an income as high as \$8,000 a year before paying tax.

The key difference between the government's policy and the hon. member's proposal is basically that the hon. member would like to eliminate completely any pension dependent on an income test, so that \$200 would be the basic amount received by all persons 65 and over, or those over 60 and retired. This means that the wealthiest businessman in Canada with substantial personal assets will receive as much as a widow with no other means of support. This is hardly fair. It is hardly just. The key advantage of our pension system as it now stands is that we can direct the resources to where they are most needed. That is to say, we can increase the pension payable to those individuals with little or no income in a way that this motion would not allow. This is both the most efficient and the most equitable use of the money available.

● (1630)

Therefore I am opposed to the motion put forward by the hon. member for Winnipeg North Centre. It would not lead to an equitable use either of the resources of the country or of the resources devoted to the senior citizens of Canada.

Fairness is the goal at which old age security should aim, and that is precisely the goal of the present system. This is why old age security benefits are now fully indexed to the cost of living and payable quarterly to ensure that our senior citizens, who have worked hard all their

[Mr. Maine.]

lives, are protected from the damage of inflation. This is why we retain an income test in order to ensure that those who most need support receive it.

There is an old Hasidic saying that the prosperity of a country is in accordance with its treatment of the aged. By this standard I believe that Canada can be judged among the most advanced and prosperous countries in the world. When compared, for instance, to the American schemes, the Canadian system comes out clearly ahead. Not only are Canadian pension payments higher, but they are available without retirement at age 65, whereas substantial retirement is required to receive a pension in the United States before the age of 72. All too often the United States sets the trend for Canada, but in this area Canada is among the leaders of the world.

We have an old age security and pension system in Canada of which we can be proud and which deserves our support.

Some hon. Members: Hear, hear!

Mr. Dan McKenzie (Winnipeg South Centre): Madam Speaker, it is indeed a pleasure to support the motion brought forward today by my neighbour from Winnipeg, the hon. member for Winnipeg North Centre (Mr. Knowles). I will just take a few minutes to speak in support of this motion because I do not want to be accused of taking part in talking it out.

When one talks about lowering the pension age to 60 and increasing the pension up to \$200 a month, people ask where the money will come from. I do not think I would have any trouble finding the money in the \$30 billion budget of the Liberal government. There are hundreds of millions of dollars—and the Conservative Party has mentioned this many times—which would be available if some of the departments were to be phased out. For example, Information Canada is just duplicating what each government department has now, its own information offices. They are expanding, and we can certainly do away with Information Canada and find hundreds of millions of dollars there.

The government is expanding its expenditures on outside consultants, and that is reaching about \$1 billion per year. We can certainly start phasing out outside consultants, and there we would find the money for increased pensions and for lowering the pension age. We had no trouble finding money for increases for members of parliament and judges, so I am sure the money can be found quite easily.

The Progressive Conservative Party has long supported an increase to about \$200 a month and the lowering of the pension age, and I would like to quote from the position paper we presented in the last election:

The Progressive Conservative Party pledges itself to ensure that our aging population lives in comfort and dignity.

We refuse to engage in the kind of demeaning auction room bidding which has often been directed to our senior citizens. Recognizing what inflation has done to this deserving group, a Progressive Conservative government will provide a substantial increase in the basic old age security pension. We regard such an increase as a just and proper act to partially remedy the inflationary pressures that have so diminished the economic security of these Canadians who have given years of service to their country.