

Old Age Security

suffering. Surely greater attention should be paid to these senior citizens by the authorities. I have drawn a number of these cases to the attention of municipal authorities. We all know how much the cost of living has risen. I believe our senior citizens should be treated much better than they are, particularly when there is so much unemployment affecting our young, able-bodied people. I appreciate that the government has finally started to come to grips with this problem, but we have much catching up to do. Many of our senior citizens are in dire need.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I want to take a few minutes to make some comments on this bill. I think it is a very important bill. It affects over one and a half million Canadians. It affects those Canadians to which all of us owe so much. I know that in my constituency many of the people who first settled the area are still there. Now they are senior citizens. These are the people who laid the foundations of my province and, of course, of our country. Many of these people who laid the basic foundation of our country are today faced with many injustices and inequities that are perpetuated because of government policies, or should I say lack of policies, where the government does not really care about them. Many of the elderly people who first settled the country now live in poverty, and as a result of this bill they will continue to live in poverty.

This is the main reason why I consider this bill is a bad bill. In fact, Mr. Speaker, it is a typical Liberal bill. It is something that appeases a few people. It is something that would clear the conscience of a few middle-class Liberals. It may clear the conscience of the Minister of National Health and Welfare (Mr. Munro) but it does not do much for the people who are living out in the country, for the old people and for those who are living in houses that are unfit for people to live in, people who will still be living below the poverty line. It does not mean much to them.

I suggest that this bill is not really fundamental. It does not change anything. It does not redistribute the wealth of the country. What it does is redistribute poverty. For this reason I think the bill should be opposed vigorously by all of us who are concerned about this problem, and I do hope the minister will seriously re-evaluate his position and introduce two or three basic fundamental amendments to the bill.

I have said that this bill is really redistributing poverty among old people. It will not be much of a Christmas gift for our senior citizens. I suggest that the basic rate should be much higher. We in this party are suggesting a basic rate of \$150 per month, along with an escalator clause. Under the bill we are to have a flat rate of \$80 a month. This is 42 cents more than pensioners are receiving this month. We also find that the minimum income of pensioners will be going up slightly. Under the bill, the minimum income for a single pensioner is going up to \$1,600 per year and for a married couple it is going up to \$3,060 per year.

We all welcome these small increases because I think we all realize that, even psychologically, if someone is

[Mr. Cadieu (Meadow Lake).]

tramping on your foot and he gets off your foot a little, you feel better. So we are happy that there is a small increase. But if we tend to be satisfied with this increase we are only fooling ourselves. Those of us who are satisfied are just hiding in the smug complacency of Parliament; we do not know what our older people are facing.

● (5:20 p.m.)

All I have to do to prove my point is refer to the studies made by the Economic Council of Canada and by Senator Croll on the matter of poverty in Canada. In 1968 the poverty level for a single person in Canada was set at \$1,800 a year. According to Senator Croll, who considered the increase in the cost of living, in 1970 this figure should be raised to \$1,944. If this bill passes it will raise the minimum pension for a person with no other income to \$1,600. But that is not all, Mr. Speaker. The person with a "tremendous" income of \$1,600 will have to pay income tax because our government believes he is making too much money and does not need it all. For this reason I think we need some basic and fundamental changes in this bill. Let's not fool ourselves. I hear the minister saying that we need more money. It seems to me that in Canada we have a great deal of money for other things. We have money to subsidize certain sectors of private industry. We have all kinds of money to spend on things that really are not important when it comes down to people who are not as privileged as others. Yet all of a sudden we run out of money.

I suggest that we should make amendments to this bill in reference to the escalator clause. Under the new requirements the escalator clause will not apply to the flat rate of \$80 a month, but it applies to the flat rate today. The 2 per cent applicable to the supplement is not adequate, and I think the minister is fooling himself if he thinks the cost of living is going to increase by only 2 per cent next year and the year after. Why does he set \$80 a month as the basic flat rate for the old age pension? This figure is ridiculous. Many older people who are without other means will find this amount far from adequate in order to live in Canada at today's high cost of living.

Under this bill only 60 per cent of the people now receiving the old age security pension will be eligible for the guaranteed income supplement. That is, 60 per cent of 1,700,000 pensioners will receive the supplement and the remainder, 510,000, will not receive it. But many of these pensioners also need extra help. I have already said, Mr. Speaker, that those people receiving the old age pension today will not be exempt from income tax, and this seems rather ridiculous. When the basic exemption for income tax was set in this country, the cost of living was not as high as it is today. We could get around this problem by doubling the exemption for old people, making it \$2,000 instead of \$1,000 for single people and \$4,000 for a married couple.

I should like to ask the minister why we must delay the implementation of these benefits, small as they may be, until April 1, 1971. Why not make these provisions applicable at the beginning of next year, or even sooner? We have known for a long time that there is need for an