saying that you should have, not a means test and, I would say, not a needs test-though I would not object to its being called a needs test-but, in effect, an income test for the amount in excess of \$75? If that is the only serious objection to the legislation, then I really do not think it is too serious an objection.

Hon. Mr. Brooks: Of course that is not the only objection; there are many others.

Hon. Mr. Connolly (Ottawa West): I realize that. Some honourable senators wanted a \$25 straight increase across the board, which-

Hon. Mr. Benidickson: Instead of \$30.

Hon. Mr. Connolly (Ottawa West): Yes -which, as I say, would cost an extra \$100 million this year. But we must always remember that once you increase that \$75 to \$100 without a means test or any other test, as the population grows and as time goes on, this is going to mean a great deal more every year than the difference between the \$280 million and the \$380 million that is estimated for 1967.

Hon. Mr. Brooks: Well, of course, our gross national product will be increasing proportionately.

Hon. Mr. Connolly (Ottawa West): Yes, our gross national product will be increasing too, but at the same time you will be getting more and more built-in statutory payments that are going to be made and which are going to put that much more burden upon the finances of the country. Moreover, the life span is increasing.

I think this is a responsible approach. It does not go as far as the Senate committee proposed that it should in some respects: it goes further in other respects. However, as I say, I think this is a responsible approach to the question of providing a basic minimum income for elderly people who need it.

Hon. Mr. Grosart: Seeing that the honourble leader has stated as his objection to the \$25 flat rate increase that it is a built-in expense which will go on and on, does not that same objection apply to the measure before us—or is he suggesting that this will not go on and on?

Hon. Mr. Connolly (Ottawa West): I think that in time-after 1975-the measure before us will begin to decline in cost and that ulti-

any test at all up to \$75. What is wrong with mately, when the full benefit of the Canada Pension Plan is available to these pensioners, there will be practically no more payments to be made under the scheme proposed here. That is one of the reasons why I say this is a temporary measure. This is a measure intended to fill a gap which the Senate committee pointed out. I do not say it will fill the hole completely, but it goes a long way towards satisfying the purpose the Senate committee had in mind.

Motion agreed to and bill read second time.

THIRD READING

The Hon. the Acting Speaker: Honourable senators, when shall this bill be read the third time?

Hon. Mr. Connolly (Ottawa West): With leave of the Senate, I move that the bill be read the third time now.

Honourable senators, I would just like to say that I feel rather like a lawyer in court, because my "client" is in the gallery. I have been defending him, and he will not have to defend himself at a later time in committee. I mean, of course, the minister, Honourable Mr. MacEachen.

Motion agreed to and bill read third time and passed.

ROYAL ASSENT

NOTICE

The Hon. the Acting Speaker informed the Senate that he had received the following communication:

GOVERNMENT HOUSE

Ottawa

21 December 1966

Sir.

I have the honour to inform you that the Hon. Emmett M. Hall, Puisne Judge of the Supreme Court of Canada, acting as Deputy to His Excellency the Governor General, will proceed to the Senate Chamber today, the 21st December, at 9.45 for the purpose of giving Royal Assent to certain bills.

I have the honour to be,

Sir,

Your obedient servant,

A. G. Cherrier

Assistant Secretary

to the Governor General.

The Honourable

The Speaker of the Senate