

Old Age Security

realized that British Columbia now has an NDP government which has announced that they are initiating a program to provide prescription drugs for everyone over the age of 65 without charge. I think the hon. member for Simcoe North would be well advised to urge the Minister of National Health and Welfare (Mr. Lalonde) to go to British Columbia to watch that pilot plan in action and then to bring under medicare the sort of scheme that we will put into effect in British Columbia before long.

We must not forget that it was the NDP government in Saskatchewan which supplied the model for medicare and the NDP governments in both Saskatchewan and Manitoba which supplied the model for no-fault car insurance, a system which has been a blessing there and will be a blessing in British Columbia as soon as it is adopted. I suggest that there are places where any federal government could look for a model for ways of protecting people and providing them with social security.

I want to say again that we welcome this legislation. As I said, it is certainly only a drop or two in the bucket, but every drop is welcome so far as we are concerned. It is one more small indication that slowly but surely the notion in this country is beginning to prevail that if we want to create a civilized or even a workable society—remember that this one is not working or we would not have the situation we face—we must have a new motive force behind government, and that motive force must be the meeting of human need rather than the protection of human greed. What this government and others before it have been trying to do for many years is to protect human greed in various ways by looking after the interests of special groups, groups which are privileged at the expense of others who are deprived of what is theirs rightfully. We want to change that. We are at a stage now where never was so much suffered by so many for the advantage of so few. This is one small indication that the government will try to provide a basic pension for elderly people which is worthy of Canada.

● (1620)

Mr. H. G. Herbert (Vaudreuil): Mr. Speaker, one of the key measures in the list of steps the government is taking to counteract the effect of rising prices on consumers is a more rapid increase in old age pensions. This House is being asked to approve an amendment to the Old Age Security Act to provide for quarterly rather than annual escalation. This will mean that instead of waiting until next April for increased pensions the 1.8 million people receiving old age security pensions will get a partial increase for October. If prices continue to rise in the next three months they will get another increase in January.

Since last October average price levels have increased by 5.3 per cent over the previous ten month period. As a result the basic old age security pension would be raised to \$105.30 effective October, 1973. Price increases in August, September and October of this year would be reflected in the OAS pension rate for January. Price increases in the period November to January would be reflected in the April pension rates, and so on for each quarter. In this way pensions will become much more responsive to recent price increases.

[Mrs. MacInnis (Vancouver Kingsway).]

The guaranteed income supplement will also be increased for October, and each quarter after that if price levels continue to rise. A single person getting the full supplement to the old age pension can expect to get \$179.16 for October in place of the \$170.14 he receives for September. A married couple, both getting full GIS and OAS, will find their \$324.60 monthly payment increased to \$341.80 for October.

The old age security pension, with an eligible age of 65, is a monthly benefit paid to all people who qualify on the basis of both age and residence in Canada. These are the only requirements. Canadian citizenship is not necessary. An applicant must prove his age. However, if necessary, help in obtaining proof of age will be given by the old age security office.

A person may qualify for pension if he or she has resided in Canada, after reaching the age of 18, for periods which total at least 40 years, or has resided in Canada for the ten years immediately before approval of the application, or has been present in Canada, after reaching age 18 and prior to the ten years mentioned above, for periods which equal, when totalled, at least three times the length of his or her absences during the ten year period, and has resided in Canada for at least one year immediately preceding the approval of the application.

Some types of absences from Canada during the qualifying periods under certain circumstances may be considered not to interrupt residence in Canada.

A person should apply six months before reaching pensionable age. This allows time for proof of age to be obtained, if necessary, and for the history of residence to be confirmed.

Payment of pension normally begins in the month following that in which a person reaches the eligible age. If a person is late in applying he or she can be paid retroactively for up to one year.

If through infirmity, illness, insanity or any other cause a pensioner is considered to be incapable of managing his own affairs, the pension may be paid to any person or agency appointed by the regional director to act on the pensioner's behalf. Such a person or agency is required to account to the regional director annually, and at the end of the appointment, for money received and spent.

An old age security pensioner may receive a guaranteed income supplement if he or she has no income other than the pension, or only a small amount. An application for the guaranteed income supplement is sent to each old age security pensioner around the time application for pension is approved. Accompanying the application is a booklet giving details of the plan and a guide to help in completing the application form.

Anything considered as income for income tax purposes is counted as income for the purpose of the guaranteed income supplement, even if the amount is not large enough to require payment of income tax or even if one did not file an income tax return.

Income does not include possessions, savings, investments, or a home or property that one may own; nor does it include for purposes of the guaranteed income supplement the old age security pension itself. Income is any