

Old Age Security Act Amendment

Mr. H. E. Gray (Essex West): Mr. Speaker, I wish to support the second reading of this bill to create a guaranteed income program for our older citizens. Hundreds of thousands of our elderly people certainly need and deserve further help, being dependent as many are, entirely or almost entirely on the old age security pension. They have helped this country reach the stage of development it has today and we, their fellow citizens, certainly have an obligation to help them achieve and maintain a decent and dignified standard of living.

There are many older people who will not be able to benefit significantly from the Canada Pension Plan. Steps to fill this gap were recommended by the senate committee on aging and the joint parliamentary committee which studied the Canada Pension Plan proposals. The government, we know, moved partially to fill this particular gap when it took steps to have the old age security pension available at age 65, with this coming into effect over a five-year period. Also, by creating the Canada Assistance Plan the government has created a measure with the potential of providing further, provincially administered help, on the basis of need, rather than means for older citizens once provincial co-operation and agreement is obtained. But there has remained a place for a further measure handled directly by the federal government and available as of right to our older citizens. To deal with this particular area of concern, the government has now brought forward this program to provide a guaranteed income for our older citizens.

It should be noted that this measure incorporates the basic recommendations of the senate committee on aging headed by Senator David A. Croll who is, I might mention, a distinguished former citizen of my own city of Windsor. The government's proposals will guarantee an income of \$105 a month or \$1,260 a year for old age pensioners. These proposals make possible a maximum monthly supplement of up to \$30 in addition to the old age security pension. The amount of supplement, as the government's measure indicates, will depend on to what extent the pensioner has income as defined by the Income Tax Act over and above his old age pension.

For some 500,000 older Canadians who have no additional income, this means an additional maximum supplement of \$30 a month. In other words, the government's proposal provides a maximum benefit for those who need it

most. By adopting this approach the government has not scattered and diluted its efforts across the whole range of older people no matter what their income might be.

I think the government is making a more effective use of the taxpayers' money by aiming the bulk of this expenditure at, and concentrating it in, the area of those with greatest need. This means that for the 500,000 older people whose only income is the present old age pension, the government's proposals will provide \$5 more a month than the proposal brought before us on several occasions by the official Conservative opposition. Second, this program will involve an expenditure of \$100 million less in the first year of the plan's operation than the Conservative proposal. This money of course will be obtained from the taxpayers, and according to the information already before us, the amount it will be necessary to obtain for this program from taxes will decrease as the years go by.

I have referred, Mr. Speaker, to the obligation we all have to deal fairly with our older citizens. We must also be conscious of the obligation the country and the government has to all the other groups within our borders. The expansion of education, for example, is a matter of high priority if we are to increase our productivity and generate the higher tax revenues needed to maintain adequate standards for the aged and all our citizens. The government's guaranteed income program improves on the Croll Committee recommendations in several ways. First, it provides a higher maximum income for a married couple. The senate committee suggested a maximum of \$2,220 a year, while the government's plan will make possible a maximum guaranteed income of \$2,520 for married pensioners. Second, in the government's plan the supplement will not be reduced, if the pensioner has income in addition to his pension, on a dollar for dollar basis in the manner recommended by the senate committee; instead, the supplement will be reduced by \$1 a month for every \$2 the pensioner's income increases over the old age security pension.

I stress that this additional income is as defined for income tax purposes. This obviously will permit an old age security pensioner to earn more from part time work, for example, without having his supplement reduced, than under the recommendation of the senate committee. Third, the supplement is not expressed as 40 per cent of the \$75 old age pension, therefore it will automatically increase whenever there is any change in the