

*Old Age Pensions—Mr. Dunning*

very difficult to understand what they mean in terms of cost. So let it be understood that what I am speaking of to-night when I speak of cost is in terms of cost in Canadian dollars accepted by the Canadian people as being capable of buying a dollar's worth from Halifax to Vancouver.

If we assume that the hon. member for Winnipeg North means by his resolution a reduction of the qualifying age to sixty-five—the resolution does not say that, but in his address my hon. friend indicated that this was what was in his mind, although I am quite sure that he would regard it as only a first step—then what would be the cost? And in this connection it must be remembered that the cost to the dominion for the coming fiscal year under the present old age pension scheme will be about \$30,000,000. At the present time there are 175,000 persons receiving old age pensions in Canada. It is estimated that this number will be 177,000 by the beginning of the next fiscal year, on April 1. If we move the age limit from seventy to sixty-five, the total cost of old age pensions to the dominion alone for the next fiscal year will be over \$48,000,000. It will be understood, Mr. Speaker, that in these figures I am not including the share of the provinces. It is necessary to add twenty-five per cent to the figures I have given as the dominion cost in order to arrive at the total cost to the country.

Mr. DOUGLAS (Weyburn): Does that take into consideration those who will come in during the next fiscal year who are not in now, or is that on the basis of those now receiving pensions?

Mr. DUNNING: The estimate of \$30,000,000 for the next fiscal year is on the basis of what it is estimated will be the number during that year.

Mr. DOUGLAS (Weyburn): Not the number now?

Mr. DUNNING: The number now, as I indicated, is 175,000, and we are estimating 177,000 for the coming fiscal year.

Mr. HEAPS: On what percentage is the minister basing his figure? He stated this afternoon that approximately fifty per cent of those at present over seventy years of age are in receipt of old age pensions.

Mr. DUNNING: If my hon. friend will permit, after I get through with this point I shall give the percentages receiving old age pensions in each of the provinces of Canada, but I would rather finish the financial statement first. That is clear, Mr. Speaker. If we lower the age to sixty-five years, it is

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estimated that the cost to the dominion for the next fiscal year would be \$48,000,000. If we lowered it to sixty years, the cost to the dominion during the next fiscal year alone would be \$71,646,000.

We have to look to the future in connection with this matter of old age pensions from the cost point of view, and in this connection it must be remembered that the number of those seventy and over, according to the best estimates, will steadily increase during at least the next thirty years, the reason being that a large portion of our population came here as adults, or at least a large portion of our population being immigrants and not being born here, the number of old people will tend to increase for a considerable period of years to come. A study of different age groups in the last census returns of Canada will confirm this tendency. These figures of population have been carefully studied in relation to the number of those seventy and over who might be reasonably expected to be old age pensioners, judging by the experience we have had up to date. Thus we find that even on the basis of the present qualifying age of seventy, and on the basis of the payments presently being made, it is anticipated that the cost of pensions to the dominion in 1941, aside from administrative costs, will be \$46,300,000; in 1951, \$62,000,000; in 1961, \$82,200,000 and in 1971, \$92,800,000 without adding to the amount of pension and without reducing the qualifying age.

Mr. LAWSON: Those figures are based on age seventy?

Mr. DUNNING: They are based on age seventy and upon the average amount of pensions now being paid to the proportion of people over seventy, in each of the years which I have named, the same proportion of those now over seventy as are receiving pensions. That is a little complex, but I think I have made it fairly clear.

Just here I should like to remind the house once again that a declaration of policy by the government, as requested by the resolution, implies, I think, that the provinces would continue the proportion they are now paying. I doubt very much if many of the provinces would be able financially, at present at any rate, to stand the increased amount which would be required of them to make up their twenty-five per cent of what would be involved in such an increase. I know that a number of the provinces are having their difficulties to-day in carrying successfully the twenty-five per cent they are obligated to pay under the present agreements between the dominion and those provinces.