

*Old Age Security Act*

While I compliment the minister for the improvements which are being effected, because I agree they are substantial, I suggest the bill is very inadequate in the senses I have indicated. I hope the minister really agrees with me in this regard and that with our help, if he does agree that the points I have made are valid, we can have this bill further improved as it goes through the House and can remove the very substantial five or six injustices I have emphasized this afternoon and which the House should not adopt.

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, this is a bad bill. I realize that on Monday, when the Minister of National Health and Welfare (Mr. Munro) tabled his white paper on income security for Canadians, I stood in my place and said there were a number of items in it that were good and that I welcomed. I did so because when one is aware that people are in distress any alleviation of that distress is to be welcomed. However, now that I have had an opportunity to study this actual bill, I believe the first thing to be said about it is that instead of its being an act respecting old age security it is an act for the re-distribution of old age poverty. In his remarks just now, the minister said that it would cost a certain number of dollars to put these proposals into effect. He did not, however, say that there would be any increase in taxes to cover that cost. Indeed, in the white paper it is declared that there is enough in the old age security fund, or that there will be enough in the old age security fund from the taxes now being paid, to take care of the changes being made by this bill for the next few years. In other words, we are not talking about a re-distribution of wealth as between the working part of our population and the retired people. We are simply stirring it around a bit among the older people themselves. We are calling upon some of the older people to do with less so that some other older people may have a bit more. That is not old age security; that is the redistribution of old age poverty.

I noticed that the minister hesitated to rise and move second reading because he had heard me say yesterday and the day before that there was a point of order I wanted to raise in respect of this bill. The reason I did not do so was that once I had seen the bill, and made a general study of the points of procedure on which I had done some research, I came to the conclusion that my points related to equity and legality, so were not exactly procedural points but rather were arguments against the bill itself. Therefore, rather than raise a point of order, I decided I would endeavour to meet the bill head on. In a few minutes I shall be indicating the reasons I thought the bill was out of order and the reasons I believe no government should be asking Parliament to pass this bill for there is at least one utterly offensive feature in it.

Before I begin my criticism of the bill I believe it is only fair that one who has criticisms should state what he thinks ought to be before us at this time. I differ from the Leader of the Opposition in this respect. I think that instead of building on this old age security guaranteed income supplement combination we should go back to the principles that were established in the Old Age Security

Act that came into effect in 1952. There should be before us a bill increasing the basic pension to \$150 a month payable to all our people over 65 without any means or income test and subject to escalation to the full extent of the rise in the cost of living.

• (4:20 p.m.)

**Some hon. Members:** Hear, hear.

**Mr. Knowles (Winnipeg North Centre):** If the government thinks that that is beyond its capacity to plan and bring in, and if the government wants a second choice, I will offer it. I do so reluctantly because my first choice is what the Canadian people would like. My second choice would be for the government to bring in a bill raising the basic old age pension to \$100 a month and granting a supplement of \$50 so that those who are in need will at least get the \$150 a month which surely is a minimum figure. I urge that nothing less than one or the other of these two proposals is what should be before us at the present time.

I have characterized this bill as a bad one, and I implied in the remarks I made on Monday and Tuesday that in my view it should not have been admitted. My reasons for that revolve around the fact that Parliament made a contract with the Canadian people. The word "contract" is not mine alone. It appears on page 24 of the minister's white paper and again in substance on page 42. Mind you, he uses it in a different context. He uses it in buttressing his arguments as to why all the present schemes cannot be replaced by a guaranteed annual income. He says that the old age security program cannot be eliminated because Parliament made a social contract with the Canadian people. The Canadian people have been paying into the old age security fund and they have a right to draw the pensions provided in the Old Age Security Act. That was the point of order that I felt could be raised.

I point out that in Beauchesne's Fourth Edition, citation 382, there is a reference to the fact that Parliament on occasion has refused to proceed with a bill that contravened policies laid down by Parliament in previous acts. We have laid it down as a policy that the people of Canada are required by taxation to pay money into the old age security fund, and we have undertaken in the Old Age Security Act that the Canadian people, having paid into that fund, are entitled to the pensions and the benefits set out in that act. That was stated clearly to us by Mr. Pearson when he was prime minister, and by Mr. St. Laurent before him. It was stated clearly to us by Miss LaMarsh when she was piloting certain amendments to this legislation, and I suspect my friend, the hon. member for Perth-Wilmot (Mr. Monteith) drew attention to this when he was minister of national health and welfare.

More recently, on March 15, 1965, when the present Minister of Finance (Mr. Benson), in his capacity of minister of national revenue, was dealing with the Canada Pension Plan and wanted to argue against some of the things that we were advancing, he went out of his

[Mr. Stanfield.]