

said that the initial cost is estimated as high as \$360 million.

**Hon. Mr. Connolly (Ottawa West):** It is estimated it will range from \$260 million to \$280 million in 1967, rising to \$350 million in 1970.

**Hon. Mr. Brooks:** Would that be the average as between the possible \$1 and the possible \$30 per month payment? What would be the situation if the \$30 were paid to each of the 900,000?

**Hon. Mr. Connolly (Ottawa West):** Then the estimate would be much higher.

**Hon. Mr. Brooks:** In that situation it would be \$360 million? But in many cases pensioners will not be entitled to this supplementary amount.

**Hon. Mr. Connolly (Ottawa West):** Many pensioners will be in receipt of other income which will reduce their entitlement.

**Hon. Mr. Hugessen:** Was there a figure estimated to show what the cost would be if it were universal?

**Hon. Mr. Connolly (Ottawa West):** I was coming to that, because Senator Thorvaldson made a point about the increased cost. If instead of doing this on an income test basis, it was done on an across-the-board basis and applied to the amount paid under the Old Age Security Act, the actual cost would amount to an extra \$100 million.

**Hon. Mr. Brooks:** It would be \$100 million more than has been estimated already?

**Hon. Mr. Connolly (Ottawa West):** It would be \$100 million more than the \$280 million estimated for 1967.

**Hon. Mr. Brooks:** I have seen that estimate in the other place.

**Hon. Mr. Connolly (Ottawa West):** Some of my colleagues seem to think it is more, but my recollection is that the estimated cost of the program proposed in this legislation for this year will range between approximately \$260 million and \$280 million. It is estimated that the cost of paying a \$25 a month increase across-the-board as Old Age Security without any test will be an additional \$100 million this year. That is my recollection of the figures.

**Hon. Mr. Benidickson:** Then some poor people will not get \$30; they will get \$25.

**Hon. Mr. Connolly (Ottawa West):** All right. It is a \$25 increase and not a \$30 increase in certain cases too.

However, the point I particularly want to make is this. We had a budget the other night in which a \$280 million increase in taxes was proposed. I have no doubt whatever that the Opposition in the other place will be criticizing the increase in taxes of \$280 million. Now what is proposed is that we should increase the expenditures by a further \$100 million. So, if you are going to live by the rule that was proposed by the Minister of Finance and you are going to pay as you go in this program, then the kicking over the \$380 million would have been that much more vigorous.

**Hon. Mr. Brooks:** They might have been satisfied with the other arrangement.

**Hon. Mr. Thorvaldson:** Do you not agree that basic and fundamental principles that are deemed to be valuable are not worth dollars, even if it is in high figures?

**Hon. Mr. Hugessen:** Might I ask my honourable friend a question? It is a very personal one. Why should I get an extra \$30 old age pension a month?

**Hon. Mr. Thorvaldson:** Of course there is no reason in the world why you should, Senator; no one suggests that.

**Hon. Mr. Connolly (Ottawa West):** I might say that if there is anyone who is entitled to an additional pension it is my friend on my left.

**Hon. Mr. Brooks:** I move that he gets it!

**Hon. Mr. Connolly (Ottawa West):** I am feeling particularly low today, because this is my friend's last day in the Senate.

**Hon. Mr. Brooks:** Oh, no!

**Hon. Mr. Connolly (Ottawa West):** However, let me come back to Senator Thorvaldson's point. I take it that what he and Senator Grosart object to is the departure from what they say is the principle enshrined in the Old Age Security Act, that the payments are made to all those who have reached pensionable age without any test whatever, and that in this case the wrong act has been amended.

I do not think many are so doctrinaire on this subject. Certainly, I do not feel so doctrinaire as to say that in a case like this, when you are dealing with old age pensions in the field outlined in section 94A of the British North American Act, you need be so particular. We have the universal system without