

whether consideration was being given at cabinet level to the proposition of increasing the old age security pension by the payment of a bonus. On those occasions, Mr. Speaker, you ruled my questions out of order. In consequence I am raising it again at this late evening sitting.

● (10:10 p.m.)

The reason behind my question can best be found in a quotation from a news story which appeared in the *Toronto Globe and Mail* on June 11 and which reads as follows:

Strong pressure is developing among Liberal M.P.'s, including some cabinet ministers, for special action to assist old persons who will not benefit from the Canada Pension Plan.

The government is being urged to set up a special fund to supplement the basic \$75 a month old age pension. The fund would decline as the benefits paid under the Canada Pension Plan rose over the next 10 years. This plan may be introduced late this year or next year when inflationary pressures ease off.

The government had resisted efforts by the opposition parties in the Commons to raise old age pensions to \$100 a month. But an increasing number of Liberal members, led by cabinet ministers, are arguing that something must be done to aid old folk.

The reported consideration being given by the cabinet to a bonus for old age pensioners is a very welcome one, if it is indeed a fact. We can only hope that, failing a general increase in the pension rate to \$100 a month—which many hon. members would like to see—a practical step would be the immediate provision of a supplementary amount in the form of a bonus. This would at least make up part of that increase in the cost of living which the old age pensioners have felt very sharply in the last three years.

In asking whether the government is actually considering such a provision I wish to add a cautionary note. In the event that a bonus will be paid we hope it will not be done at the expense of the Canada Pension Plan. We think that the Canada Pension Plan should not be siphoned off by reducing it to augment the old age pensions. We believe it is possible to increase the current old age pension security by making money available without taking it from the Canada Pension Plan or from increased taxation.

It seems to us that the government has leeway in the economies it could practise to provide the proposed bonus to old age pensioners. For example I understand that approximately \$2 million a day is being spent on national defence and that something like \$1 million is being spent in simply paying the interest portion of the federal debt.

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We think that if the government will take measures, as we hope it will, to improve the old age pension by providing a bonus, then it should not do so at the expense of another plan which provides for old age pensioners or people who will benefit from the new pension plan. We think that the government should face up to the fact that there is a gap between the present old age pension and the new contributory one, and it should move ahead to fill that gap on a national basis.

In conclusion, Mr. Speaker, I wish to say that at least in my view today's old age pensioners are probably the last people to remain in the valley of scarcity. Thanks to their work in bygone days the rest of us are emerging into a world of abundance, and I think it is fitting for us at this time to recognize the need of our older people by the provision of this bonus. I therefore wish to ask the government to consider such a move.

Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare): Answers to similar questions can be found on pages 6122 and 6434 of *Hansard*. I am sure the hon. member will realize after reading these detailed replies by the minister that there is very little I can add to what has already been said.

I should like to reiterate, however, some of the major points the minister made in dealing with those questions. I want to point out that in the current fiscal year, 1966-67 federal expenditures in respect of old age security will amount to \$1,035 billion. It should be pointed out also that in 1963-64 the federal government was spending \$755 million on old age security payments. This means that in a period of three years outlays have been increased by \$280 million or 37 per cent. During this period of three years the level or rate of benefit has been raised and the number of persons covered has been increased by 100,000 through the lowering of the age threshold to 69 on January 1, 1966.

I think the hon. member for New Westminster will agree that it is impressive to note, as the minister did when discussing his estimates before the health and welfare committee, that 28 per cent of the federal government's expenditures are directed toward the health and welfare of the Canadian people. The largest single component of that is for our older citizens. Moreover, as my hon. friend knows the Canada Pension Plan is intended to be a long term solution to retirement support for the wage earners of Canada.