

Old Age Security Act Amendment

something as old as the former old age pension legislation which was passed in 1926 and became law in 1927.

The test in this bill is infinitely less severe than was the test in the old age pension legislation of the middle '20's. But it is still a provision which says to older people: You do not get the full amount of this pension unless you report your income and when you report your income, if you have more than is provided for in the legislation either your pension will be cut back or the increase will be cut out altogether. We think this is fundamentally wrong. We think that far from it being a progressive step it is retrograde and we do not believe the Canadian people will approve of it. If this bill goes through, as apparently it will since the government shows no sign of changing its attitude toward it, I can promise the minister as surely as I can assert I am standing here that it will be the occasion for a major fight in the next two or three federal elections in this country until we get rid of this test on the extra amount. We are glad that a new figure of \$105 a month is being established. That is why we voted for the resolution and why we accept this bill. But the issue in the field of social security for the next few years and for the next election or two will be a return to a no means test pension for the aged.

The minister speaking tonight, and other speakers from that side of the house in the last few days, made much of the business of not giving a pension to those who do not need it. The minister was not so concerned about the senators tonight as he was last week but he is still trying to make the point that there is virtue somehow in not giving the pension increase to those who are wealthy. In hiding behind the fact that the wealthy do not need this increase the minister adopts an attitude which cuts off from benefit scores of thousands who are just over the line. The minister can boast about the lack of severity of the test he proposes. What he does not realize is that it will create differences between old age pensioners which will be very hard for them to understand and which will detract from the sense of dignity and sense of pride which have gone with being a pensioner in this country for the last 15 or 16 years.

I regret very much that the minister does not appear to appreciate this point. I do not know what kind of mail he is getting. I know that the mail I have been getting in the last week or so expresses amazement, concern and horror on the part of the older people of this country at this change.

The minister seems terribly concerned about the way in which the New Democratic party approaches the question of a guaranteed annual income. He quoted statements made by some of my hon. friends. I felt a little hurt that he did not quote one of mine; the fact is that he could not find one which would fit into the category he had in mind. But even when he quotes from members of this party who have dealt with this subject he admits that their support of the principle of a guaranteed annual income was always expressed in relation to a stated level of income.

Mr. MacEachen: The only member who mentioned any amount was the hon. member for Burnaby-Coquitlam. None of the others I named mentioned any amount.

Mr. Knowles: Only the other day my hon. friend from Vancouver-Kingsway quoted a figure of \$138 a month as affording a more realistic annual income for old people than \$105. I submit that in talking about a guaranteed annual income one cannot divorce the principle from the level which is contemplated, and \$105 a month is just not the kind of level which can be characterized as amounting to a guaranteed annual income. When we in this party talk about the desirability of a guaranteed annual income—this has been said by others in several corners of the house in the last few days—we are thinking mainly of people in their working years. We believe the whole question of social welfare benefits could well be approached on the basis of making a guaranteed annual income available. We think that the problems arising in the paying of unemployment insurance benefits might well be examined in terms of this concept. But when people reach old age it is a different story. We think that when this point has been reached the level of income granted to these people should be an amount available to all who reach that age.

The minister also commented a few minutes ago on the question of income tax recoveries. I accept his figures, though even he will admit, I am sure, that they are estimates and do not necessarily include the whole picture—sales taxes, corporation taxes, taxes paid by others, and so on. I ask him to consider this point as far as this business of payments being made to millionaires is concerned. One does not consider the taxes paid by a wealthy person only in terms of the extra tax he pays when he receives an old age pension. When a wealthy person gets an old age pension of \$75 he does not pay additional