

*Old Age Security Act Amendment*

utilized as long as their health remains good. Being useful will contribute to their own happiness. Such people will have the satisfaction of knowing that their services are in demand and that the welfare of the country is being served.

**Mr. Steven Otto (York East):** Mr. Speaker, in listening to the debate on this bill it has occurred to me that we are concerned about a vast group of people who have become tainted with two sins in our modern society, age and poverty.

**An hon. Member:** Being a Liberal is one.

**Mr. Otto:** We can no longer grow old gracefully and there is no dignity in poverty. To be poor is a sin, and to grow old is not something to look forward to. In our business world and in our business dealings certainly we realize that poverty is evil.

I very much appreciate the minister's concern and the concern of members of this house about the pensioners. We are trying to do what we can. We want to do as much as our economy will allow us to do. I have no argument with the minister over this bill because he is trying to do his job sincerely and as best he can under the circumstances. I will not get involved in a debate as to the meaning of means tests and needs tests because the minister knows what is meant. He knows the difference. The hon. member for Winnipeg North Centre (Mr. Knowles) pretends not to know the difference, but I think he does. Bringing my legal mind to bear I can also appreciate the difference between these tests. The people, however, may not understand the difference between a means and a needs test. Again, I know that what we do is governed by circumstances, as has been carefully pointed out by the Minister of Finance.

Without getting into a debate on whether a means test is justified, it must be borne in mind that there are people who say, "I have saved, I have been careful and now I am penalized", and there are other people who say, "It is not my fault I am poor, I have been unfortunate, I have had expenses and so on." Instead of getting into a debate on this subject I want to refer the minister to a concept I put before him some time ago which would have the effect of eliminating the need for this bill completely.

We realize that we have two groups among our senior citizens. We have those coming under the Canada Pension Plan and those not coming under it. Certain people cannot come under the plan. Now we are forming another

group consisting of those who will get the additional \$30. Some of our old people will not get it. We therefore have three groups of old people. I say to the minister that he should strive to make these three groups into one group.

We passed the Canada Pension Plan. All on this side of the house agree that the Liberal party has been promoting old age pensions for many years. When a person who is now 70 says, "Why could we not have had this plan ten years ago, we would have taken advantage of it", what can we say? It is the doing of this house if such a plan was not in existence. The result is that we have a group of people who cannot come under the plan.

By amending the plan in a simple way all these people could be brought under it. Everyone would be entitled to benefit under the plan. As I said, I have raised this matter with the minister before. Let us look at the figures. I gave the minister these figures some time ago but to this day I have not heard anything about them. I think I know why the figures have not been considered seriously. It is because I made the suggestion. However, I should still like to hear an explanation of why my plan was not even considered.

Essentially, this was the plan. It would not be expensive and it would not be unreasonable for those people who now are 70 to make a lump sum payment of ten years premiums and be immediately entitled to the benefits of the plan. Even if people took advantage of the highest benefits the total lump sum contribution would be around \$1,800. Great numbers of people could take advantage of such a plan. Many people have relatives or children who would be only too glad to help. Then there could be a provision to allow those who did not have the means to borrow from the fund.

What would the cost be? I have had these figures tabulated. As I recall, for the first two years there would be no cost at all to the nation. There would be no inflationary pressure. In the third and fourth years the costs would rise from \$215 million to around \$340 million but they would decrease after that. Amortized over a ten-year period the program would not be a burden on the nation and everybody would be entitled to the same benefits.

I disagree with the general trend of the opposition's thinking that the \$30 should be universal. I do not think that would solve the problem. I believe it is evident that with today's inflationary pressures the \$30 soon would shrink to a minimum value. Paying it