

*Proceedings on Adjournment Motion*

not include that piece of legislation which was tidying-up in its nature. Accordingly, I had hoped that the Minister of National Health and Welfare would have assured me when I asked this question on November 12 that we would at least get this tidying-up business before us in this session.

A number of members have asked questions from time to time which have brought out these anomalies. Of course, the one that hits us the hardest is the fact that there is in the Old Age Security Act a provision to increase the pension each year as the cost of living goes up, but never by more than 2 per cent in any one year even if the cost of living increases by 4 or 5 per cent. That is a major anomaly I wish the government would correct.

● (10:00 p.m.)

However, I wish to spend these three or four minutes on another anomaly, that is, the provision in the guaranteed income supplement part of the Old Age Security Act which declares that in most cases pensioners get their income supplement based on what their income was last year. There are two exceptions, two instances in which a pensioner can get a supplement for the current year based on his anticipated income for the current year. These are, first, if you retire from employment in the current year, and second, if you change your marital status in the current year. In all other cases it is the income from the previous year that counts.

As a result of this, some serious situations develop. There are people who have allowances of one kind or another—widows who have an allowance from the death of a husband which lasts only four or five years and ends in the middle of the year. The widow finds for that year her income drops because the allowance is stopped, and the next year, when she applies for a full supplement because she has nothing else, she is told it has to be claimed on the basis of her income for the previous year, so she has to wait for a further year before she gets the full amount.

In the same vein there are people who in the course of a year will take a little job and make \$40 or \$50, in the whole year, just enough to amount to more than should have been made under the terms of the income test. When a person does that, at the end of a year he is penalized twice; he has to make a back payment because he got too much and then, for the next year, he has to apply for a guaranteed income supplement on the basis of the income he got the previous year even if

[Mr. Knowles (Winnipeg North Centre).]

he does not intend to work again. No one denies the double penalty aspect of this. We have had this out on the floor of the House and with the officials of the department. The kindest answer we have received is that this is one of those anomalies that was not intended and which will have to be straightened out. We have been told several times that some day it would be straightened out.

I was not privy to any secrets in the matter, but I certainly got the impression that this was the kind of thing which would be dealt with in the bill proposed last year to amend the Old Age Security Act. In the meantime, many are suffering because anomalies of this kind have not been straightened out. I hope that even if the government takes longer than it ought in getting around to the larger question of increasing the basic amount of the old age security pension, it will not put off any longer an amending bill to deal with these anomalies which are really quite cruel. I hope the parliamentary secretary will be able to assure us tonight that these matters will be attended to during the course of this session.

**Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare):** First, Mr. Speaker, I should like to assure the hon. member that we all share his concern about matters affecting the welfare of the Canadian people, including our senior citizens.

I have noted his remarks, especially those anomalies which he mentioned. I wish to state that his comments tonight will be brought by myself to the attention of the Minister of National Health and Welfare (Mr. Munro). Although no bill was presented to the house on matters of social welfare at the opening of the present session of Parliament, I am sure the hon. member has noticed in the Speech from the Throne the following paragraph which I shall quote. This can be found at page 2 of *Hansard* for October 23, 1969. It states:

Changes in the patterns of need in our society call for a more equitable social policy which will offer assistance and security to people unable to work or to provide for themselves and their families. A white paper on social security will be presented—

This white paper will deal with all matters of welfare including old age security. These measures will be made known through this white paper and, of course, all consequent legislation will be closely related to it. In view of these circumstances, Mr. Speaker, I