

Old Age Security Act

The minister has said that an amendment to the act would be necessary so that overseas veterans in this category could receive their old age pensions. The minister stated in a speech on January 10 and, I quote:

Let me assure you that I am indeed looking at this particular matter and I have asked for even the legal opinion to be reviewed. If this can be done without any amendments to the act, I would certainly try to do it if the appropriate regulations could be amended.

However, I am afraid that the advice I will get is that the legal opinion which was given to the government must be maintained, and I will have to come before parliament with an amendment to the legislation in order to provide for cases such as this one. I waited until after the Speech from the Throne, fully expecting an announcement of amendments to the act to which the minister referred. The minister claimed to be sympathetic and interested in veterans of Canada, but still an amendment was not proposed.

It is for these reasons I have taken the initiative and am proposing this motion as well as bringing forth a private members' bill on the same subject. I believe this motion is straightforward and self-explanatory. It simply asks the minister to amend the act so that my constituent, who served this country overseas from June 1940 to March 1946, and others I have heard from, can receive their Old Age Security pension.

It should be pointed out that time is of the essence because my constituent would qualify on April 1, 1974, if the interpretation of the act had been different. I believe the amendment should be brought forth immediately, and that it should be backdated so there is definitely no discrimination in this case. If the minister and the government are serious about this, I am sure they will let this motion pass and not endeavour to talk it out. To talk it out on the basis that the minister is bringing in a bill to take care of the problem is, in my opinion, not valid. This matter could be disposed of very quickly. The minister, I am sure, is going to bring in the amendment embodied in a bill that has many more proposals in it. It will be necessary to have them all analysed so none can be taken in isolation. This is bound to take time and my constituent will have to wait because of an interpretation pronounced by a section of the minister's staff.

● (1710)

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, I commend the hon. member for Okanagan Boundary (Mr. Whittaker) for bringing before the House a motion whose purpose is to improve the Old Age Security Act by means of an amendment. Improving the Old Age Security Act has been an on-going policy of Liberal governments, and the present government in particular has introduced several additional measures which, in total, have given us one of the finest old age security programs in the world. It is, however, not perfect. Hon. members recently came upon an anomaly in the regulations which govern the existing act. The government is in complete agreement with the intent of the hon. member's motion to allow time spent overseas by a resident of Canada while a member of the Canadian Armed Forces to be deemed as not to have interrupted presence as that is presently defined by regulation. It could be done through an amendment to the act, so that a person will be deemed not to have interrupted

[Mr. Whittaker.]

presence in Canada if he returns to Canada at the conclusion of his duties.

That is a complicated technicality, and one which for a long time I did not understand myself until I spoke recently with officials of the department. The question before us is a confusing one. It concerns regulations but certainly, no question of principle is involved here. The hon. member, along with other hon. members, is now aware of the difficulty and we all wish to improve the Old Age Security Act to correct the problem. The hon. member has certainly brought his representation to the right place because he will find a ready response from this side of the House.

Ever since 1908, successive steps have been taken to enact old age security legislation in which we can all take much pride. Income security measures directed to older persons developed gradually in Canada over a considerable number of years. The first legislative action of the Canadian parliament in this field was the passage, in 1908, of the Government Annuities Act, which was designed to promote habits of thrift so that Canadians might be encouraged to provide for their old age. In succeeding years, a series of committees studied the problems of the aged and an old age pension system was recommended to provide assistance on the basis of a means test to British subjects with at least 20 years of residence in Canada, under a federal-provincial cost-sharing arrangement.

Resolutions were submitted to the provincial governments for approval in 1925, and in 1927 parliament approved the Old Age Pension Act. Under this legislation the federal government was to pay 50 per cent of the cost of the program, which was administered by the provinces. Between 1927 and 1949 the federal share of the cost was increased to 75 per cent and benefits were increased to a maximum of \$480 annually. Admittedly, by today's standards that is not a princely sum. By 1950 this program provided benefits under restrictive eligibility rules to over 40 per cent of Canadians aged 70 and over. In 1950, a joint parliamentary committee was appointed to look into the matter of pensions for older persons and to make recommendations to the government. This committee was composed of members of the Senate and of all parties in the House of Commons. As a result of the study, it was decided to adopt a universal flat-rate type of pension, with eligibility based solely on age and residence in Canada, to be administered by the federal government. Legislation was then introduced to bring into being the present Old Age Security Act, which became effective on January 1, 1952.

The Old Age Security Act provided for a universal flat-rate pension of \$40 monthly to all persons who could fulfil the age and residence requirements. The eligible age was 70 years. The basic period of residence was 20 years in Canada immediately preceding the approval of the application for pension. A person who had not resided in Canada for the full 20 years could make up for the absences by presence in Canada prior to those 20 years on a two-for-one basis. In addition, the applicant must have resided in Canada for the year immediately preceding the approval of the application for pension. The requirement of the one year's residence was introduced because it was felt that persons who had been absent from Canada for