

Old Age Security Act

Mr. Deputy Speaker: Order. Is the hon. member rising on a point of order?

Mr. Béchard: This is not a point of order, Mr. Speaker. I should like to ask the hon. member whether he will allow a question?

Mr. Matte: At the end of my remarks, Mr. Speaker, I shall be happy to reply to the hon. member.

Mr. Castonguay further said this:

Last year and in 1970, Mr. Castonguay stressed, when the last amendments were made by Ottawa to the Old Age Security Act, the escalation principle had been rejected. The reason given was that any amount in excess should be paid through the guaranteed income supplement.

I fail to understand, he added, why a year later, they reconsider this principle which had been accepted a year earlier, as far as the escalation of the old age pension is concerned.

• (1240)

Whether Mr. Castonguay is right or wrong, Mr. Speaker, I cannot say. In his dealings with the Minister of National Health and Welfare, were there really any mention of these matters?

Mr. Speaker, I wonder what prevents these two levels of government from coming to an understanding. Nobody knows. One thing is sure, and it is that this increase which is quite necessary and of which we fully approve is unfair to those who have not yet reached age 65 and who must be satisfied with crumbs.

They will argue, not without reason, that the Quebec government must assume its responsibilities. However, when the federal government, through an amendment to the constitution, took over areas which come under the sole jurisdiction of the provinces, specifically old age security and family allowances, it was to compensate—and I agree—for the weak provincial governments in those days. Strangely enough, this happens when both governments have the same political colour.

Mr. Speaker, this situation the federal government has taken over by entering the field of old age security pensions should normally come under provincial governments. We understand Mr. Castonguay referring to integration when we know that Quebec alone must be concerned about supporting those who are not yet 65 and who have no income. I do not say that Mr. Castonguay has the solution. I am just saying that we have been suggesting the solution for a very long time. Recently it has been suggested here, before this House, that everybody should have a guaranteed minimum income which would do away with the welfare programs each Canadian province must implement.

In fact, a guaranteed minimum income for everyone would not be more expensive than the costly and disastrous application of the present social welfare system. That is the solution. When we finally realize that the basic principles of our financial and economic system must be changed, all these problems will be resolved. In the meantime, it is important that every one be treated fairly, as we are involved in this situation.

In particular, I blame the Quebec government for evading its responsibilities. I also blame the preceding governments of that province for acting likewise. It is for this

[Mr. Béchard.]

reason that the federal government has taken over more than its share of the fiscal field and it must reimburse the provinces by intruding in areas over which they have exclusive jurisdiction. However, I blame the provincial government for not accepting its responsibilities.

In 1960, we saw that government under the administration of hon. Jean Lesage, asking for 100% of personal income taxes and 100% of estate taxes. We witnessed the fact that its successor, hon. Daniel Johnson, reiterated his demands for 100 per cent of income taxes. If the Quebec government applied this program, I am sure the federal government would have to give in.

Hon. members will remember that in 1952, for instance, when the then premier of Quebec, Maurice Duplessis, established the 8 per cent provincial tax for the first time, the federal government, led by Louis St-Laurent, reduced the federal income tax by 10 per cent.

I therefore advise the government of Quebec, if it wants to solve its problems, to assume its responsibilities, and if it needs 100 per cent of personal income tax, to go ahead and take it. I will then insist that the federal government reduce the federal income tax by the same percentage. Only in this way shall we be able to satisfy and to please everybody.

However, Mr. Speaker, as I have already said, the minister should consider immediately introducing two small amendments to his bill in order to help a large number of families. One of these would be very simple: it would consist in making eligible for an old age security pension couples in which only one spouse has reached the age of 65. The other amendment could also be acceptable: rather than raising the amount of pensions to \$285—and I am not saying that this is exorbitant—it might have been preferable to bring down to 60 the age for pension eligibility and to leave the amount at \$260 per month.

Mr. Speaker, there are still some things which do not make sense. As the Creditiste leader pointed out yesterday, do 60 year-old people pay less for clothes or for food? No, they do not; they pay exactly the same price. We would be solving a great problem by accepting these suggestions.

If we analyze the budget carefully, we realize that the extra \$300 million of \$400 million will be given with one hand and taken back with the other, since the 3 per cent tax exemption granted last October is automatically going to be abolished. This is once again mere window-dressing. They seem willing to increase the old age security pensions and even the family allowances; on the other hand, however, they take back the increase through taxation since the 3 per cent exemption will be removed.

Mr. Speaker, removal of this 3 per cent exemption practically offsets the surplus granted. This amounts to giving with one hand and taking away with the other.

Mr. Speaker, our wish is that as many Canadian citizens as possible may live in modest comfort, but obtaining employment is so difficult at the present time that people aged 60 find it impossible. Nonetheless, it is desirable that these people should get some income. This is why we should like all couples and single people, in fact all Canadians aged 60, to be entitled to the old age security pension.