Suggested Pension Payment Corrections

Mr. Knowles (Winnipeg North Centre): No, no.

• (5:00 p.m.)

Mr. Francis: There is no question, however, that a long term program of social welfare benefits was unfolded with the vision of Mackenzie King, the prime mover of the motion. Over a period of years social welfare in Canada developed following this outline of priorities, although sometimes without as much haste as some of us would have liked to see. This has been a platform, however, which I think has been unique in terms of the length and breadth of its concept and implementation by the party which put it forward in its original form. Certainly at this stage when we are getting 10.4 per cent of the gross national product, the official estimate the minister placed on the record in 1967, in terms of welfare and security benefits we stand high among the states of the world in these priorities.

I am sure hon. members were quite impressed when the minister pointed out that in 1962-63 we were spending $3.9 billion in this field and within five years there had been a 57 per cent increase in total expenditures. In the five year period since the Liberal government came to office in 1963 we have seen the Canada Pension Plan, the guaranteed income supplement, the progressive reduction of age in respect of old age security from 70 to 66 this year and next year to 65, and we have seen the principle of escalation. We have seen a major program every year. There is no question but that we can confidently predict more to come.

Having said that, we come back to certain fundamental things which must be weighed. I listened to the hon. member for Kootenay West (Mr. Harding) who said the pension is not adequate and that a person cannot live on $109 a month even if this were the full supplement. We admit this is so. No one has ever defended the old age security program in terms of adequacy. What we are endeavouring to do, however, is to build certain features into the program which still leave room for other things that must be supplied. There is no question that what is adequate in some parts of Canada and for certain standards of living which have been developed is inadequate in other parts of the country. There is no question that there are regional disparities and that the approach on the basis of uniformity still leaves major problems in terms of selectivity. This was stated earlier in the debate.

[Mr. Francis.]

It is necessary that the priorities be considered in relation to other things. The standard of living of those who are retired in Canada will not depend purely and simply on how many dollars are channelled into their pockets via a pension program and cash benefit. It will also depend on things such as the housing program. The government has a major responsibility to look at housing in terms of its priorities. We have had the report of the task force and this is just the beginning of a national attack on the problem. We must also review our priorities in respect of medicare which is now coming into effect and which certainly will be a charge on the budget of this country as the Minister of Finance (Mr. Benson) and the President of the Treasury Board (Mr. Drury) are well aware.

In addition to these things we have our escalated commitments in aid to higher education. While we build priorities at one end of the scale we must always keep in mind that if we make a social investment in the labour force there will be more people contributing at the working levels. We must think also of the tremendous need for capital in respect of resource development and elimination of regional disparity in the depressed areas. Last but not least is the big question of a responsible fiscal policy.

I have had many differences before on this question with the hon. member who introduced this motion. I listened to him early in the session when he brought forward a motion during private members' hour to increase the pension payments to $125 a month and to have this paid immediately to everyone without regard to an income or needs test at the age of 65. I said then in arguing against his motion that this would be an inflationary move and that I could not accept his argument which he has put forward on many occasions to the effect that investment in this area somehow is generated in income and is not inflationary because there is an investment in the people of Canada.

Many times when I listened to the hon. member along this line I found it difficult to distinguish him from the people a little farther down on the other side of the house who seem to think that all that need happen is for the Bank of Canada to print a few more dollars. We cannot produce money effortlessly in the amounts required to meet the demands which are made upon the government. There is no magic formula by which the addition of another $400 million or $500 million to our