Old Age Security Act

That Bill C-207, An Act to amend the Old Age Security Act, be amended by striking out the word "is" at lines 14 and 24, page 2 and substituting the words "shall not be less than".

Now, what can one read in line 14 Mr. Speaker? I quote:

4. (2) (a) for a month in the fifteen-month period commencing with the month of January, 1972 is the amount obtained by multiplying

(i) the basic amount of such pension,

Mr. Speaker, as far as I know, when one is talking about multiplication and division, he is talking about figures. That is precisely what I have been doing since the beginning of my remarks.

Besides, the marginal note says:

Basic amount of pension

and further on:

Annual adjustment of basic amount of pension

Therefore I am justified in speaking of the basic amount and I maintain it should be $200 a month, for all older people in Canada and without any means test. That is why I believe I am complying with the rule of relevance.

I come to the same conclusions upon reading line 24 of the same clause. Indeed one can read in the amendment and I quote:

and substituting the words "shall not be less than".

As far as I know, Mr. Speaker, subtractions and additions concern the basic amounts and I maintain once more that I am complying with the rule of relevance.

I said we brought forward that kind of amendment because we thought that the basic philosophy of Bill C-207 did not correspond to the real situation of older people in Canada.

The philosophy behind this bill and the amendments submitted by the member for Simcoe North on parts of clauses 3 and 4 has demonstrated how complicated it is to give money to our senior citizens and help them.

Those clauses provide for all kinds of mathematical complications, reports, inquiries; each time his financial situation will change the old age pensioner will have to declare it, etc.

Mr. Speaker, granting a guaranteed income supplement is based on a wrong principle. Instead of helping our senior citizens by giving them increased financial assistance, without government bickering, we set a minimum basic amount and, taking into consideration the economic situation as determined by the government, we raise as much as possible the guaranteed income supplement which will be added to this basic amount.

Under the government philosophy it is more important to grant a minimum basic amount and a maximum guaranteed income supplement and thus determine whether elderly people can survive or not. This is quite ridiculous. We believe that we should simply increase the basic amount up to the maximum intended by the government, including the guaranteed income supplement, and give it to all senior citizens whatever their income, without any inquiry and bickering so that they may enjoy the security of a minimum income.

I do not know whether the Minister of National Health and Welfare understands what I am trying to tell him but

I am strongly opposed to the fact that he will not be able to pay this money to the elderly since it is going to be swallowed up by the administration of the basic amount and of the guaranteed income supplement.

Mr. Speaker, so much for the remarks I wanted to make and, as you have noticed, they were quite related to the clause under study.

[*English*]

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I should like to say just a few words in support of the amendment proposed by the hon. member for Simcoe North (Mr. Rynard). I think the amendment is a realistic one in that what the hon. member is endeavouring to do is to provide the flexibility that the government may need and which is not inherent in the present legislation. What the hon. member for Simcoe North is endeavouring to do is give recognition to the fact that the figure proposed by the government is unrealistic. It is a long time since the cost of living in Canada has increased by only 3½ per cent a year. Whether the government likes it or not, and whether it wishes to talk about its great battle to control inflation, the fact of the matter is that it has not controlled inflation and it is not in the neighbourhood of 3½ per cent.

● (1600)

The hon. member for Simcoe North is saying that even though the Liberal party does not recognize this fact, the Progressive Conservative party does, and that if the Progressive Conservative party were in office it would put in this bill the type of escalating clause which would guarantee to the people that the purchasing power of their dollars would be as high this year as they were last year, and as high next year as they are this year. This party recognizes that $80 today has a devil of a lot less purchasing power than $80 had a year ago, and certainly a devil of a lot less than $82.80 had a year ago.

It is very easy to get confused about old age security pensions and guaranteed income supplements. Unfortunately, I am sure that sometimes the public does not recognize the difference. The significant difference between the two schemes, as far as I am concerned, is that Canadians have contributed to this pension fund and have a right to receive their fair share from it. It is not something the government is handing out, it is something to which they have a right because they paid for it. Every Canadian, through his contribution to income tax, has paid for an old age security pension. This is just the same as any pension scheme a person in Canada might have with a company for which he has worked. He does not have to come as a supplicant to this government on bended knee in order to receive $82.80 per month in pension. This government has an obligation to pay this money because the old age recipient has contributed.

What bothers me is that this government, when it eliminated the escalator clause, was saying to the old age pension recipient that he was not in fact going to receive an amount equivalent to what he contributed. The government was saying that it was, in fact, precluding these pensioners from receiving the amount they thought they were contributing and would receive. This government and previous governments has taken certain moneys with