

*Proceedings on Adjournment Motion*

people by shortening up their living allowance even more by the addition of 1 per cent to the sales tax, raising it to 12 per cent. This bore very heavily on most of the things these people need. I want to say that as a result of all this thousands of pensioners in British Columbia, single and married, are not receiving and will not receive the full benefit of the new \$30 federal allowance.

I want to know what action this federal government proposes to take to see to it this situation is rectified. I do not know whether the same situation exists in the other provinces, but I do know that it exists in British Columbia. I know the problem is the result of the federal government's failure to see to it by seeking agreement with the government of British Columbia that such would not be the case. I believe the federal government should not permit itself, nor should it be allowed to permit these elderly people to be kicked like footballs back and forth between the two governments. There should be something done now, to clarify and rectify the situation. I ask what that action is going to be.

**Mrs. Margaret Rideout (Parliamentary Secretary to Minister of National Health and Welfare):** Mr. Speaker, I will not comment on what the government of British Columbia may be saying about the federal government in relation to supplementary allowances. I am, however, happy to be able to clarify the situation.

The payment to old age security pensioners of the guaranteed income supplement is in-

tended to ensure that all old age pensioners will be guaranteed a minimum income of \$105 a month. Where provinces have been paying supplementary allowances, the cost of which has been shared by the federal government, the need for such payments will be substantially reduced with a consequent saving to provincial treasuries. It has been made clear to all provinces, Mr. Speaker, that where the combined old age security and guaranteed income supplement are insufficient to meet the need of pensioners, the federal government will continue to be prepared to share with the provinces in the costs of additional supplementary allowances based on need. There is no ceiling on the level of federal contribution for this purpose, it being left to the provinces to determine the amount of the supplementary allowances it wishes to pay.

I might note, Mr. Speaker, that in determining the need for supplementation, it will be apparent to members that the payments by way of old age security and the guaranteed income supplement should be taken into account. I might add also that, through the Canada Assistance Plan, the federal government is now able to share, for the first time, in the costs of health care and welfare services. The provision of federal contributions to these services will enable the provinces to provide these important services without incurring the burdensome costs that they would otherwise face.

Motion agreed to and the house adjourned at 10.27 p.m.

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