

Pensions

conference on pensions mark the beginning of serious reform to solve existing inadequacies and future requirements.

I hope it will not be out of place for me to quote some statistics to place the matter in perspective. In 1979 there were approximately 2.1 million OAS/GIS pensioners in Canada, representing about 9 per cent of the total population. Over \$5.365 billion were paid out by the government as OAS and guaranteed income supplement benefits in 1979. It is also well known that the elderly are significantly over-represented among the poor, whatever definition of poverty line is chosen. Employing Statistics Canada revised definition of low income—an income level such that more than 62 per cent is spent on basic necessities—the proportion of individuals 65 to 69 years of age with a low income was 46.4 per cent in 1976; the proportion among those 70 and over was even higher, 58.1 per cent. The average income for families headed by individuals over 65 was only about half the average for all age groups. In 1979 approximately 57 per cent of all old age pensioners qualified for the federal government's means tested GIS, another indication that Canada's elderly number significantly among the poor.

These statistics show to a degree the magnitude of the problem. We are speaking of exceedingly large sums when we plan a system of income security for older people. We must remember that this is only one of several valid social objectives in the national scheme in Canada, that health and education, and many other valid objectives place demands on our society and its capacity to pay.

The Acting Speaker (Mr. Corbin): Order, please, I regret to interrupt the hon. member but his allotted time has expired. He may only continue with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

● (1650)

Mr. Dantzer: Thank you, Mr. Speaker, I have only a few minutes to go.

I repeat and emphasize that the methods we use to provide adequate income security for senior citizens must be those which will also encourage and assist the economy of this country in supporting our social objectives. We all know the resources of this country are limited, as they are everywhere. We must choose social objectives which are attainable and affordable. It is a principle of the Conservative Party that the government should assist those persons least able to help themselves. It is also a principle of my party that our senior citizens, who have worked long and hard to achieve a full and satisfying life, who have raised their families and contributed to this great country, should be rewarded and cared for by society in their retirement years. As a Conservative I feel this can best be done by ensuring that those policies are compatible with policies of economic direction which are designed to ensure that a healthy and vigorous private sector can provide the real economic wealth necessary to support these retirement programs.

[*Translation*]

Hon. Pierre Bussières (Minister of State (Finance)): Thank you, Mr. Speaker. I am very glad to have this opportunity to say a few words on the extremely important subject of pensions; that is, the income of retired people. I think it is obvious to everybody that the finance department and the Minister of Finance (Mr. MacEachen) himself have a direct and special interest in the field of pensions. It is obvious as well that it is a subject of utmost interest to all government members because of the well-known philosophy of our party, namely, that our first concern is for those most in need, and it is a fact that retired people indeed account for a great many Canadians who are in dire need.

I would also like to take this opportunity to commend our Minister of National Health and Welfare (Miss Bégin) for the extremely significant and liberal works she is doing not only in the field of health generally, but especially because of her awareness of the problems experienced by the elderly and retired people.

Mr. Lapointe (Charlevoix): Hear, hear!

Mr. Bussières: We all know that the National Pensions Conference is scheduled for March 31, April 1 and April 2. The aims of that conference have been very clearly defined by the Minister of National Health and Welfare and they were repeated by the Minister of Finance. I am convinced that spokesmen for the private pension sector, the government sector, the provincial governments and the other sectors of the population who will have the opportunity to participate in the conference will do a profitable, beneficial and advantageous job on behalf of retired Canadians.

It is always interesting to look at the figures even though you must always see them in a certain perspective if you do not want to overestimate them. However, it is worth recalling, for instance, that our present pension system does not provide what we could call a decent income for a great many senior citizens. On the average, the income of senior citizens in Canada is substantially lower than that of other Canadians. If we attempt for instance to make a comparison based on the average income for Canadians as a whole, which would be \$16,300, the comparative income for senior citizens would come at most to nearly \$7,000. We can see that there is a difference of over 50 per cent between the two, that is the average income of pensioners and that of other Canadians. We can look at other kinds of figures. For instance, when a worker retires, whatever his income when he was working, it is automatically reduced by about 50 per cent. This means that if the work income was \$20,000, on retiring, this income will automatically be reduced to \$10,000.

I shall keep to those two statistics even though, as I said at the very beginning of my intervention, they give only a rough idea of the facts, and I shall now draw the attention of all the members of this House to the problems that face people when