

Old Age Security Act

able to what is being proposed. There are other questions they want answered; I am sure the Hon. Member for Winnipeg North Centre (Mr. Keeper) has had the same reaction from military people in his own constituency. For instance, if a military person works part of the year at the Canadian Forces base at Ottawa North, which is the airborne type of military, and the rest of the year he works in another area of the Armed Forces, would that particular person have to switch uniforms twice a year because part of the year he is with the air force and part of the year he is with the army? So we will have people in fact having to have more than one set of these particular uniforms in order to satisfy the ridiculous idea of the Minister of National Defence.

To answer the question, Mr. Speaker, yes, the money would be far better spent elsewhere, even elsewhere in the military. As far as I am concerned, we should take that money and put it into the social programs represented by Bill C-26 so that the Bill can be enhanced to cover more people.

● (1120)

Mr. Deputy Speaker: If there are no more questions or comments we shall resume debate with the Hon. Member for York East (Mr. Redway).

Mr. Alan Redway (York East): Mr. Speaker, I am really delighted to have an opportunity today to address a few comments to Bill C-26 which will provide spouse's allowance to all widows and widowers between the ages of 60 and 65. I am told there is something like 85,000 of those people right across the country.

It is very difficult to know what sort of impact legislation, this legislation in particular, will have on one's own riding. However, as you may be aware, my riding encompasses parts of two of the six municipalities which make up Metropolitan Toronto; the City of North York and the borough of East York. The City of North York has a relatively young population. Only about 8 per cent of the population are 65 years of age or over. However, the portion of North York included in my riding contains the original community of Don Mills and Victoria Village, both of which were developed in the 1950s and early 1960s. Therefore the population in those particular areas is somewhat more advanced in age than is generally the case in North York as a whole.

As far as the East York portion of my riding is concerned, it is quite clear that this legislation will have a very significant impact. The borough of East York has a seniors population second only to the City of Victoria, British Columbia. In fact, depending on the study you look at, the population of seniors in the East York part of my riding is either 16 per cent or 20 per cent, and as high as 22 per cent for those 60 years of age or over. That category has been growing very substantially in recent years. Between 1971 and 1976 it went up by 1 per cent. Between 1976 and 1981 it went up by 2 per cent. A recent study by the planning department of East York indicates there is something like 6,000 people between the ages of 60 and 65 in that community, and of that about 1,000 would be single people living on their own. We have 282 ridings in this country

and roughly 85,000 people who will be in a position to take advantage of this legislation. That works out to approximately 300 people per riding. If I have 1,000 people in my riding in this category, that means my constituency will potentially benefit about three times as much as any other riding. So there will be a very substantial benefit to the people of York East.

There is no doubt, Mr. Speaker, that we could have much better pensions. I do not think anyone on either side of the House, including Ministers, would not agree in their hearts that we could have better pensions if we had enough money. There are all sorts of things we could do. We could extend this spouse's allowance to cover single people as well as those divorced or separated. That goes without saying. We could also make this a universal pension. I might say that during the last election campaign there were a lot of people in my riding who pointed out to me that this is something the Government should be looking at. We should be looking at reducing the pensionable age to 60. They suggested we drop it a year at a time, starting with 64 and going down until we get to an old age security pension starting at age 60. They pointed out to me that this would have at least two dramatic effects. The first would be that all people in that age bracket who are now unemployed and cannot get a job because of their age would benefit and be able to withdraw from the labour force. Second, it would be an added incentive to people now approaching that age to retire early, therefore making jobs available for younger people. That is another reason we should be looking at improved pension benefits.

● (1125)

Another aspect is clearly the amount of spouse's allowance that we are considering. We are considering a benefit of just over \$500 a month. That will total approximately \$6,500 a year. Recent studies by the Metropolitan Toronto Social Planning Council indicate that it costs a single person in the senior citizen category living on their own in a home or apartment somewhere around \$10,000 a year to support themselves. Therefore, Mr. Speaker, while this will be of great benefit, it will actually fall short of the money needed to live above the poverty line.

There are a number of benefits that we should be considering and a number of improvements that could be made to the old age security system. I think the Government House Leader (Mr. Hnatyshyn) put it quite correctly a few minutes ago when he said that this is much better than what we have now. It is fine to suggest that we do all of these things, and I would like to see us do all of these things, but we are facing a rather horrendous deficit. We have government expenditures for the coming year in the neighbourhood of \$100 billion. Our revenue from all sources will be in the neighbourhood of \$63 billion. That leaves us with a \$37 billion shortfall. As much as I would like to see the benefits for seniors and near seniors extended beyond what we are suggesting today, it is obvious that this is a great step forward in light of the deficit which we face.

It is quite clear that if we want improved benefits for our senior citizens we must get our economy moving again in order