

Old Age Security Act

that it means what the bill says it means, not what his hired speechwriters and pressmen say.

Page three of the bill talks of separation. This is part of my general complaint about the bill—it is such a mean bill. It is a mean, small-minded bill that goes out of its way to see where it can cut people out. Under the side-note "Eligible spouse of pensioner" the bill provides:

For the purposes of this Part, a spouse of a pensioner is an eligible spouse if the spouse

(a) is not separated from the pensioner;

What makes the minister think that a person will not need an allowance if they are separated from their partner? It is obvious that they will need money more than if they were both living together. Perhaps the minister is trying to keep families together and is saying they will suffer a financial loss if they separate. I believe that the Prime Minister (Mr. Trudeau) was on the right wicket when he said that the government has no business in the bedrooms of the nation. Yet here is the minister insisting that in order to retain their allowance they must continue to live together even if there are several reasons why they should not.

Clause 5 has an explanatory note, and there we find a definition that is different from the definition of "spouse". This note reads:

The purpose of this amendment is to provide after September 1975 for the payment of spouse's allowances to persons 60 to 64 inclusive who are married to and living with pensioners.

The phrase used there is "married to", yet according to the definition of "spouse" they do not have to be married. In fact it is clearly spelt out how they are to be treated if they are not married.

On page four of the bill there is a residence requirement. While I am pleased about some of the things said about residence requirements in the speech of the minister, quite a bit of this is due to the prodding and the unbelievable success of the Conservative member for Okanagan-Boundary (Mr. Whittaker) in getting a resolution through this House providing that service in the armed forces of Canada overseas would be counted as residence in Canada. The bill provides that a person is eligible if he—

—has resided in Canada after attaining eighteen years of age and prior to the day on which the application is approved for an aggregate period of at least forty years.

In other words, a person who is 18 has to reside in Canada another 40 years, which takes him to the age of 58, allowing him only two years out of Canada. That is very little time, and I suggest many of us spend two years out of Canada on holidays during a lifetime.

The minister listed several exempted categories this morning, including servicemen and people in government service. But there was one category he missed, and I hope it is an omission that can be corrected in committee. I refer to students. Students often spend two years outside Canada. If they are 18 and they go to a post-graduate school in the United States or elsewhere for three years, when they reach 60 they will discover they do not qualify because they will not have an aggregate period in Canada of 40 years. I think the minister should exempt students along with the others he mentioned.

The bill also provides that there must be a joint application for a spouse's allowance. It is not every couple that will sign a joint application, and I fail to see why there must be a joint application. The assumption is that the couple are getting along well together and are not on opposite sides of the house refraining from co-habitation. It seems to me that this is an invitation to a pensioner to withhold the allowance from his spouse if he feels mean enough.

There is a provision on page 5 that hits widows above all others. I refer to the cessation of allowance provision. This applies to those who cease to be a spouse or an eligible spouse. Most speakers today have mentioned the case of the woman of 62 who has a husband who is 66, each of whom draws half of the pension. Then the husband dies, and suddenly all of the pension ceases and the widow is left destitute. This seems to me to be about as mean as you can get with government money, particularly when spent the way this government spends it.

Then on page six of the bill provision is made for a means test. Speaking for myself, I am one of those who have never believed that a means test is necessary. It is a disincentive to people to prepare for their old age. It is a disincentive to save. It is also a disincentive for those who are in a pension plan. I suggest it only exaggerates the current problem.

If a couple are in middle age, 45 and 40, and they look forward to the day when they will be 65 and 60, at the present time they will get \$400 a month, or a little more, if they arrive at those ages penniless, having made no preparation for their retirement. If these people have prepared for their old age they will receive from the government \$100 a month, or one-quarter of the money they would otherwise receive. They will be making a sacrifice if they prepare for old age to the extent of taking out a private pension plan, or buying into a deferred payment plan or a registered retirement saving's plan, or if they should belong to a union. They can look at the pension and say that the first \$300 will be funny money and will not be of any use to them. They can say that if they did not have it they would receive it from the government.

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The worker can say that the first \$300 of a pension plan is not worth anything to him and that the plan should start above that point so that it would be a good pension. I think we will end up with more people taking the view that it would be stupid to arrive at retirement age with any income, because otherwise they would receive \$400 a month. I think this is bad for the country especially at a time when it is hoped that we can buy back our own industry from a foreign country.

There is one final point I should like to make concerning the cancellation of the Old Age Assistance Act which is being repealed by this legislation. This concerns me. I am not a lawyer, but I notice that in the original Old Age Assistance Act it states that payments to a province pursuant to this section—referring to Section 3—shall be made only in respect of a recipient who fulfils certain conditions.

Section 3(2)(c) of the Old Age Assistance Act refers to an unmarried person whose income, inclusive of assist-