

regardless of the vagaries of coverage under private pension plans. Guarantees are now secure under the Canada Pension Plan in such vital areas as portability, which provides the certainty that in moving from one job to another basic pensions will remain intact. It provides for adequacy in ensuring that these government pensions remain constant with prevailing wage and salary rates.

In terms of scope of benefits, the Canada Pension Plan provides not only for the retirement area but also for areas of disability and protection for the family breadwinner in case of premature death. And, once again, the government kept its eye open to the future as well as to the present. A cost of living escalator is also built into the Canada Pension Plan. The government also intends to continue keeping that plan consistent with growth in wages and salaries in the Canadian economy. In this connection I would refer hon. members to the list of improvements in such vital areas as maximum pensionable earnings contained in the government white paper on income security.

In the senior citizens income security field we not only have old age security and guaranteed income supplements providing for present conditions but also the Canada Pension Plan guaranteeing the future. Even now the federal government has an additional safety-net under senior citizens for whom even full old age security and guaranteed income supplements may not be sufficient. I refer to the provisions of the Canada Assistance Plan. This was another cardinal achievement in social policy instituted under a Liberal administration. It permits among many other things, supplementary benefits over and above the guaranteed income supplement, to be shared equally by federal and provincial governments, if the provinces see that there are additional needs to be met.

Finally, I should mention that the government has not only acted to provide security through its own programs. It is also providing encouragement for Canadians who wish to use part of their current income to give themselves extra protection in retirement years. I refer, of course, to the income tax provision which allows the deduction of contributions made by an individual to a registered retirement savings program. Hon. members may recall that just last session, in the context of the general tax reform legislation, this government increased even further this encouragement by raising the deductible ceiling of such contributions to \$2,500 a year.

I have indicated the numerous areas into which the government has moved to provide adequate income support for our senior citizens. There are other areas I should like to mention now under the heading of relief from major expenses which, if it were not for legislation passed by this government, would put our senior citizens to extra expense. I have outlined in previous speeches the major features of some of these. However, we know that the provision of income is only one of the ways in which our senior citizens can be assisted. The provision of income helps them purchase what they require to maintain an adequate standard of living, but in a number of areas these people need services which far exceed the amount of income benefits to which they are eligible. Accordingly,

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the government has moved to ensure that the burden of many of these expenses is removed from their shoulders.

Let me point out the health field in particular. It was a Liberal administration in the 1950s which brought in the hospital insurance program, and it was a Liberal administration in the 1960s which brought in the medical care insurance program. Of course, these measures assisted all Canadians, but they were of greatest assistance to our senior citizens. In addition to bringing in hospitalization and medicare as provisions to protect our senior citizens against the outlay of expenses they could ill-afford, we brought in another measure. We realized that often under hospitalization and medicare there might be premium payments which our senior citizens could not afford. That is why the Canada Assistance Plan, a Liberal achievement of the 1960s, ensures that premium relief for needy, elderly Canadians could be cost-shared by the federal government.

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Of course, senior citizens have special health needs which go beyond the ordinary services provided by doctors and hospitals. I refer to special institutions such as chronic care homes—and convalescent homes, as well as extensive use of prescription drugs. Again, the Canada Assistance Plan provides that the cost of supplying and maintaining these services can be extensively shared by the federal government. Thus, most of the burden of keeping up one's health, so important to the enjoyment of one's retirement years, has been lifted from the shoulders of our senior citizens through the programs the nature of which I have described.

Again we have justifiable pride, in comparison with any country in the western world, in terms of the income support provided our senior citizens. I do not believe there is any country in the free world which provides comparable legislation to that which guarantees Canadian senior citizens adequate protection.

I have indicated some measures to relieve our senior citizens from expenses. I will move into one other area in this complex program to assist our senior citizens. I refer to housing. Through Central Mortgage and Housing Corporation the government provides for senior citizens' housing. In recent years this has been drastically increased. Also in this area the Canada Assistance Plan makes provision for federal sharing of the cost of maintaining needy senior citizens in homes for the aged.

But even that is not all. One other major expense which Canadian citizens, including senior citizens, must bear is the expense of paying taxes. In the tax field the government realizes its special responsibility to lighten the burden of our senior citizens. This is why only last year we raised the supplementary tax deduction for our older people from \$500 to \$650 and at the same time reduced the age of eligibility for this deduction from 70 to 65. This effectively exempts those Canadians in receipt of the guaranteed income supplement for the aged from all tax responsibility. And again, on Monday night hon. members heard of yet another step along this same path when the Minister of Finance announced that these exemptions would now be raised to \$1,000.