

*Old Age Security Act Amendment*

as it has been covered by previous speakers, not the least of whom were the hon. members for Winnipeg South Centre and Winnipeg North Centre (Mr. Knowles).

I think younger members ought to pay close attention to what was said by the hon. member for Winnipeg South Centre when he elaborated at length on the deliberations 15 years ago which led to abolishing the means test.

Before it escapes me, I want to make a further comment about whether the test here is a means test. In the traditional sense, it may not be a means test. The difference is in degree, and not in kind. It is the same kind of means test we had before but it is somewhat less in degree. No amount of speech making by members opposite or by the minister can erase that fact, and it is a fact in my estimation.

I feel that the government's measure will be welcomed by people in different parts of the country working in occupations that do not bring the highest incomes. Those people need the higher pension. I have in mind marginal, agricultural areas, areas where people have been earning low wages, and so on. Such people have not accumulated assets to give them an income which would disqualify them from the benefits of this measure. Despite that, once this legislation is implemented, the administration of it will bring many borderline cases to the fore. What I dislike about the measure is that it is, by the minister's own admission, an interim one. It is an ad hoc measure for an ad hoc purpose. After 1975 it will not have application. That raises one of my major objections to the measure.

At the present time there are many people aged 56 who, in the later years of their productive life, find themselves working for a low income. By 1975 those people will be of a pensionable age. They will find that since during the nine years between now and 1975, they will have paid at the lowest scale of the Canada Pension Plan premium range, when they retire in 1975 they will not receive \$105, but \$75 plus a Canada Pension Plan amount at the lower levels of the scale. It is reasonable to assume that inflation will continue to a greater or lesser degree, and that the cost of living will be higher than now. These people will be up against it. This measure will have no earthly application to them because the effect of it ceases in 1975.

The hon. member for Winnipeg North Centre made what I and many members admit was a cogent and closely reasoned argument for increasing basic old age security to \$100 or \$105 a month.

● (6:20 p.m.)

The whole concept upon which the Canada Pension Plan was based was inspired by the hope that it would provide, together with benefits from old age security payments, a total pay packet amounting to between 60 per cent and 65 per cent of past earnings. This cannot now be the case, since the basic old age security payments is to be left at \$75 per month. I believe the minister indicted both himself and the government when he told the house that this measure was to be effective only until 1975. I say this because such a decision leaves a considerable social problem to be dealt with after that date.

I have no objection to the concept of a guaranteed minimum income program as such. This is an idea which has received increasing publicity during the past 18 months or so. Such an approach would enable a government to do away with the present multiplicity of welfare programs and bring them neatly together in one all-encompassing social welfare scheme. But I do not think such a solution should be applied to the needs of older people today.

The idea of making a guaranteed income available has many virtues when applied to the overall economic problems of this country, those which have to do with poverty and its causes. But I would not like to see such an approach substituted for an outright increase in old age pensions to \$105.

I do not feel there is any point in reiterating the basic and important arguments which have been advanced by hon. members on this side of the house. But surely, we have reached economic levels in this country, levels of productivity and of gross national income, which enable us to afford to provide old age pensions at a level sufficient, along with Canada Pension Plan payments, to allow a minimum income on retirement amounting to between 60 and 65 per cent of earnings during a working life based on a \$5,000 standard?

The government may or may not be justified in arguing so strenuously in support of this particular measure. My own opinion is that it is not justified in doing so. However, if hon. gentlemen opposite refuse to accept proposals or amendments offered by the opposition there is, of course, one way in which