

*Old Age and Veterans' Pensions*

**Mr. Munro:** Certainly.

**Mrs. MacInnis:** Before you leave the Canada Pension Plan, is there any provision in view to enable housewives to qualify under the Canada Pension Plan so that they will have some opportunity to participate?

**Mr. Munro:** As the hon. member knows, if the housewife is working—

**Mr. Woolliams:** But not on a salary.

**Mr. Munro:**—and earning in excess of \$600 a year—

**Mr. Stanfield:** Husbands don't pay them.

**Mr. Munro:**—which is not a great deal in terms of our modern society, and if the housewife earns more to supplement the husband's income, she can now qualify under the Canada Pension Plan. If the hon. member is suggesting she be covered under a contributory plan and not make any contribution at all on any earnings, the whole structure of the plan would have to be altered.

I was going to comment on many of the other questions. Very widespread changes have been made over the last four or five years and are now having their impact, Mr. Speaker. The first, of course, on these three broad fronts where we have brought in changes is the matter of coverage. We were faced with the situation where people were retired at 65 but not receiving the old age security pension until 70. To cope with this situation we had only the traditional old age assistance plan that paid out money on a means test basis which, I think all hon. members would agree, was a very demeaning process.

We brought in amendments to the old age security provision. We lowered the age to the point where it is now, where this year it was being paid at age 65. As a consequence, many more people are covered than ever before. In the fiscal year ending March 31, 1965, more than 1½ million people in Canada were over 65 years of age but less than one million of those were in receipt of federal pension, a figure amounting to only 66 per cent of the total. In 1969, however, there were slightly more than 1,600,000 people of 65 years of age and over. Of these 1½ million, or almost 92 per cent, were receiving federal assistance through these schemes. Because of these vast increases in percentages it is anticipated that in the next year or two we will almost surely reach 100 per cent. That is another area in which we are moving, that is, in lowering the age to 65.

[Mrs. MacInnis.]

The second front in which we have moved within this relatively short period of time is that of adequacy of benefits. When the party which I represent took office in 1963, individual payments were \$65 a month. We raised that to \$75 a month soon after taking office. At that time we realized it was still insufficient, so we brought in the guaranteed income supplement of \$30 a month on an income test basis. I think our experience with this program has been very successful. It has allowed us to get around the necessity of resorting to the old needs and means testing which involved all sorts of investigators invading one's privacy and had little rehabilitative value for people in need.

This is fairly routine. Most people, whether in need or not, fill out forms each year for income tax purposes. In our scheme they fill out forms showing income, and if it falls short of a set level the federal government makes up the deficiency within the limits of the scheme. This has worked well and has allowed us to gain administrative experience on how income tested programs of this nature can work. It falls in very well with expertise in this area that is required in terms of any approach to a guaranteed income program on a wider scale.

When I speak of this particular area I am faced with the difficulty of trying to reconcile the various points of view expressed by the hon. member for Winnipeg North Centre (Mr. Knowles). In his speech today he indicated that he thought the guaranteed annual income approach was a good one, yet in his motion he talks about the traditional approach that has been used over the years of raising the basic rates of pension. I do not think the two can be reconciled. I think the total concept of the guaranteed annual wage means that the person who wishes to qualify for it must submit to some type of income test.

In terms of the forms to be filled out it is very similar to the procedure when paying income tax. When you fill out any type of form indicating your level of income as a means of determining whether you should pay something or receive something, I think that is a selective process. That is implementing the principle of selectivity and it is what we mean when we speak of selectivity. How the hon. member can say that he is for a guaranteed annual income approach, and yet find any type of implementation of selectivity repugnant, is beyond me.