

*Old Age Security*

said. Previous Liberal governments thought everybody should be covered.

**Mr. Rock:** Of course they did.

**Mr. Orlikow:** We in this party urged the government to adopt the universal approach.

**Mr. Foster:** Would the hon. member permit a question, Mr. Speaker?

**Mr. Speaker:** Order, please. I apologize to the hon. member who has the floor. The hon. member for Algoma (Mr. Foster) is inquiring whether the hon. member who has the floor will permit a question.

**Mr. Orlikow:** Certainly, Mr. Speaker.

**Mr. Foster:** Mr. Speaker, the hon. member for Winnipeg North (Mr. Orlikow) has advocated a universal old age pension of \$150 a month for every Canadian, without a means test. I should like to know whether he has an estimate of how much such a program would cost in addition to our existing program.

**Mr. Orlikow:** Mr. Speaker, these estimates have been made. When the bill is before the committee we shall bring the figures forward. I do not have them with me today, but they are available. I am not worried about the cost. My position is similar to that of a former Liberal Prime Minister, Louis St. Laurent. Although he had been a successful corporation lawyer he was not ashamed to take the old age pension. When questioned about it he said that he would pay back in taxes all the money which was required to pay his pension.

I have no doubt that the taxation system could support a pension of \$150 a month which we have been proposing. I say to the hon. member for Algoma and to the hon. member for York East, do not be afraid of universality. It has been part of the program of Liberal governments over the years. If it was a good idea in the past, it is a good idea now. What interests me about the arguments being trotted out about the dangers of universality is this. The people who are arguing against universality and saying, "Let us devise an old age pension plan, or a welfare plan or a medical insurance plan only for those who need it," are the same people who so often make certain kinds of speeches in Parliament and outside.

• (3:40 p.m.)

If one reads the annual speeches of the president of the Chamber of Commerce or the president of the Canadian Manufacturers' Association, he will again and again read strictures about how terrible it is that the number of civil servants in Canada continues to rise, and how terrible it is that the bureaucracy increases and becomes more expensive. I can think of no more simple way of increasing the number of civil servants than by having a needs test, means test or income investigation with

[Mr. Orlikow.]

regard to the old age pension or the guaranteed income supplement. People will be required to carry out investigations. Accountants will have to ensure that people have not miscalculated.

I do not intend to deal with those who supposedly want to "milk" the plan. I believe the vast majority of people are inherently honest. They sometimes inadvertently make mistakes because they do not understand all the provisions of the plan, or for similar reasons. If this plan is accepted, accountants, bookkeepers, social workers and others will be required to investigate the incomes of those people applying for the supplement, to ensure that they are entitled to it. It is ludicrous that those people who argue that the plan should be based on need rather than being universal in scope are the same people opposed to increasing the number of civil servants.

This is not the time to discuss in detail a guaranteed annual income, a negative income tax or any of the other proposals which have been made. But these would cut down the number of civil servants required and would make life easier. They would eliminate the feeling of people who qualify for the old age pension or the guaranteed income supplement that there is something degrading about applying for it. If there were some form of annual guaranteed income or negative income tax, a person could simply fill out a form requesting assistance. I am referring to those who have reached retirement age, are sick, widowed or require extra income because of a chronically ill child. We would eliminate the fragmented and complicated systems which we now have in this country.

In the time remaining to me I wish to deal with the situation with regard to pensioners since the pension legislation was last amended in 1966. Many members of the government have tried to create the impression that through this legislation the government is proposing something very radical and generous. Under the new regulations, only 60 per cent of the people over 65 years of age will be entitled to the old age pension. If we look at the record of what has happened since 1966, we will see that this legislation is not in fact generous.

In 1966 a pension of \$75 a month was set for everyone over the age of 65. It provided for the payment of a supplementary income of up to \$30 a month for those who had little or no income. Since 1966 the consumer price index has increased by approximately 16 per cent. The 1966 legislation provided for an annual increase in the pension of 2 per cent a year. Members of this party warned the government that they were making a serious mistake by shortchanging the old age pensioners. As a result of limiting the cost of living increase to 2 per cent a year, the old age pension has been increased by 6.1 per cent since 1966. The position of those receiving the old age pension has grown worse each year. Since 1966 they have suffered a reduction of 9.9 per cent.

By this bill the government intends to increase the supplementary payments only to those who qualify. A single person will be entitled to \$135 a month, and a