

Old Age Security Act

place this before the minister and hope he will give it consideration.

I notice that quite a change is being made in this bill in respect of the basis for the escalating of pensions. In particular, I am referring to the fact the Old Age Security Act used to provide that the pension index for the purpose of this act is the pension index spelled out in the Canada Pension Plan. That provision is being abolished. We are now to have a new pension index or formula for the Old Age Security Act. There are two differences. One of course is that in this act we will take a different 12-month period from that which is taken for the Canada Pension Plan. The other difference is that the Old Age Security Act does not apply the 2 per cent ceiling, while it is still being applied in the Canada Pension Plan. My plea is that the same thing that is being done in respect of old age security should be done in respect of the Canada Pension Plan. When people are retired and draw both the old age security and the Canada Pension Plan, the money comes to them in one cheque. I think it is a little ridiculous for these people to be given an escalation of that joint pension part of which will be escalated by 2 per cent on the basis of one formula and part of which will be escalated by 3.6 per cent or some other figure on the basis of another formula. If it is correct to remove the ceiling from the escalation with respect to the old age security, I suggest it is correct to do it in respect of the Canada Pension Plan. I hope this will be given favourable consideration at an early date. Mr. Speaker, I see my time is running out. I wonder if I might have just a few more minutes.

Mr. Deputy Speaker: If there is consent, the hon. member may proceed.

Mr. Knowles (Winnipeg North Centre): I shall be very brief, Mr. Speaker. I have two more points. I shall just state them. I am now pleading for justice and fair play. I will say more on this matter at a later date, but I mention it now by way of a caveat. I am concerned about the position of war veterans under this legislation. Bill C-208, which we may be debating later this day, provides for the ceiling on the war veterans allowance to be increased only by the amount the allowance itself is escalated. This year that will be 3.6 per cent. In the case of a single veteran it could be \$4.35 and in the case of a married veteran it could be \$7.23. I suggest, despite the things I think about this government, that it cannot and will not leave it that way. It would be utterly unthinkable for those receiving the war veterans allowance as well as the guaranteed supplement not to get the full \$15 that would be available under the Old Age Security Act amendments. I see some very significant heads being shaken over there. I am not going out on a limb. I am not making any assertion about this, except that Bill C-208 does not meet the problem.

It may well be that the Minister of Veterans Affairs (Mr. Laing) when he introduces that bill will tell us of plans of the government for an order in council to exempt this \$15 in the same way it exempted the \$2.70 which was available in the month of April. Now, I see a certain head going up and down, so I hope that is correct. I just want to plead that this be done. If it is not done, the desire some of us have for both these bills to receive speedy passage will be lessened a bit in respect of the other bill, not this one. It does not affect this one, but it is a serious matter in the

[Mr. Knowles (Winnipeg North Centre).]

bill respecting veterans. But we must see to it that the experience of the past, when the gap has been narrowed between what was available to veterans and what was available to civilians, should not be repeated in this case. The veteran should get the full advantage of the \$15 increase in the supplement to the old age security pension as well as the full advantage of the 3.6 per cent increase he will get in his war veterans allowance.

• (1220)

I said I would not abuse the time that was given to me, therefore I must sit down. I will just close on this note. Welcoming as we do the improvements that are provided in this legislation, I want to make it extremely clear that the failure to raise substantially the basic amount makes this bill really inadequate. The time has come for the basic pension to be \$150 a month, universally available to our people and available at age 60, and for that \$150 a month pension to be escalated annually in accordance with the rise in the standard of living which is possible because of what our senior citizens have done for this country. That goal is still to be met. That goal will still be fought for by the pensioners themselves, by their organizations, and by many of us in the House of Commons. It is a goal which I believe we shall win, and I hope we shall win it soon. In the meantime, small as these improvements are, they must not be held back from our people a day longer than is necessary. Therefore, we hope that this legislation will soon be passed and enacted by parliament. Whether or not an election issue is involved in the consideration of this measure is beside the point. The point is that our older and retired people must get these increases right away. But I say to them: carry on. I also say that we shall carry on the battle for a really adequate pension system for all the people of Canada.

[Translation]

Mr. René Matte (Champlain): Mr. Speaker, as the leader of our party (Mr. Caouette) pointed out again yesterday, we are of course in favour of increasing the old age pensions, although we fail to understand why the government members voted against the Social Credit proposal to do so two years ago.

Still, we feel that this bill smells strongly of elections. It is too sudden. It suffers from weaknesses, omissions if not errors, which I shall point out. Of course, we are aware of the need to give senior citizens of 65 or more a decent living. In fact, thousands of arguments can be invoked to prove that those who have reached 65 have in fact earned the pensions they receive.

We therefore have no objections to that increase; on the contrary, we have been requesting it for a long time. But we do not agree with the government, in fact we say it is illogical when it refuses to fill the gap which occurs at one point in the life of the old couple when they reach age 55 or 60. That is why we have insisted time and time again on the possibility of granting a pension to the two spouses when one reaches 65, regardless of the other's age.

This seems so obvious to us that the fact that it is not taken into consideration strikes us as illogical. We need only look at the case of a couple who have both reached 65. Last year they received \$255, compared with \$260 this year; under this bill they will be getting \$285.