

Old Age Security Act

needy Canadians. I realize that in an affluent country concerned about losing its recent wealth, to which most Canadians are entitled, it was not proper to talk about the state of poverty of some of us. I felt however it was urgent to refer to it specifically because the feelings of concern among some sectors of the Canadian community could scare us and make us lose sight of existing problems whose urgency is quite obvious.

On August 1 last, the Prime Minister made it clear that he would do more to protect senior citizens against the adverse effects of inflation. So I am most happy today to introduce two amendments to the Old Age Security Act, one about the annual guaranteed income supplement and the other regarding the spouse's allowance. The supplement is paid to those who have hardly any or no income at all other than their old age security pension. At present, in October, 1978, this monthly supplement may mean up to \$205.22 for a couple of pensioners and up to \$115.55 for a single pensioner, alone, or whose spouse does not yet qualify for any pension or who is not eligible, so to speak, for the general old age security, as well as for those who get the spouse's allowance. To qualify for this supplement, single, widowed or divorced pensioners must have an income under \$2,784. Married pensioners whose income is less than \$4,944 will qualify too. A married couple with a single pension will be eligible if the income does not exceed \$7,544.87.

[*English*]

The proposed change to the GIS, the guaranteed income supplement, will increase the total benefits to each household currently receiving GIS by \$20 a month effective January 1, 1979. As far as I know, this is a new characteristic in our program. It means that the monthly benefit for a single GIS recipient will be increased by \$20. For a couple, each member of the couple will receive an additional \$10 per month, for a total of \$240 for the coming year. This total will be indexed every three months according to the cost of living in a similar way to what we do now with the pension and the supplement.

This change will give a break to those who are referred to in the statistics as "unattached" elderly people. It may appear to be an injustice to give more money to those who live alone than to a couple on pension. However, I am sure the House will agree with the justice of the proposal.

At the moment, those in Canada who live alone and are the recipients of a pension and a supplement receive approximately 50 per cent of the amount a couple is entitled to receive. In fact, it is 52.4 per cent.

● (1652)

First, the cost of living for the person alone, single, widow, or in whatever circumstances, is much more than just half the pension of a couple. The cost of living alone is approximately two thirds of the budget of a couple or family. For instance, the basic one-bedroom apartment, the cost of the telephone bill, electricity, hydro, will be the same for a person alone living on a supplement as for a couple. Therefore, it is a matter of great urgency, it seems to me, to bring our program in line

[Miss Bégin.]

with the realities of the family budget. It is the first time we are taking such a measure.

When the economy is in better shape I hope to be able to come here with further such measures and I hope we shall never hear that measures to help older people living alone are a disincentive to marry or an incentive to divorce. I am only talking of relief to the family budget by which we bring up the pensions and supplements going to unattached, elderly Canadians. There is no way they can live as cheaply as two can live. This must clearly be said of present and future steps to increase benefits to elderly Canadians. Right now, this proposal of \$240 additional money per year as of the coming January will bring them to approximately 54 per cent of a family's budget, that is, 54 per cent of what a couple receiving a pension can be entitled to. It is a first step. It is surely not a complete correction of the problem but I think it is a step in the right direction.

It is important, it seems to me, to ask who will benefit from the change in the GIS. I should like to use this opportunity to put before members of the House and other Canadians the fact that in our rich and affluent society, which we keep forgetting, in times of better circumstances for the majority of Canadians, approximately 60 per cent of all the pensioners in our country will benefit from the new GIS provision of \$240 a year, that is 1,350,000 elderly Canadians. We keep forgetting there is such a big number needing our help, who live mainly upon pensions paid through the money of the taxpayers. I am not sure this fact of the poverty of the elderly Canadians is known to us.

Sixty per cent of all the pensioners in Canada receive some supplement, some assistance in addition to the basic pension because they are in poverty by all standards of definition.

We should consider some figures here. Over the last 20 years, consistently more than 50 per cent of elderly Canadians have been in the poorest one-fifth of our population.

Over one million Canadians, in fact 1.3 million, rely almost entirely on public funds as their only income. For a couple this amounts to \$6,410 a year at the most, and the \$240 additional money will for the first time bring them just above the poverty line. As to the single elderly person in such a situation, survival must accordingly be achieved on \$3,363 a year.

[*Translation*]

Now, Mr. Speaker, I would like to ask honourable members, my colleagues and all Canadians how many of us would be able to survive without financial help on \$3,363 a year. We simply cannot figure out how these people can make it and it is high time and most urgent that we realize the state of poverty the majority of Canadian pensioners live in. When we grow to that age, we hope that either the pensions will be a lot higher than they are now or that Canadian pensioners, because of different circumstances, for instance access to good private pension plans, will not be in a situation where 60 per cent of them will have the two public pensions of the government as their only source of revenue.