SUPPLY

The house again in committee of supply, Mr. Golding in the chair.

DEPARTMENT OF FINANCE

52. Old age pensions, including pensions to the blind, administration, $43,280.

Mr. BLACKMORE: When the Prime Minister asked that he might have the floor I had just inquired of the minister whether he believed the ideal system of old age pensions should be one under which contributions were made from those receiving the pension.

Mr. ILSLEY: So far as possible.

Mr. BLACKMORE: Am I right in assuming that the minister believes that authority for old age pensions should be centred in Ottawa?

Mr. ILSLEY: The authority in respect of contributory old age pensions should be a federal authority, I think, just as unemployment insurance is.

Mr. BLACKMORE: I just want to make this comment. In my belief the minister is exactly wrong in this respect, for this reason. Any system of contributory old age pensions will involve a diminution of purchasing power in the hands of the people and such methods should not be resorted to. It is not necessary. Moreover, it is not sound that any more authority should be centred in Ottawa. We have too much of that already. In contemplating a contributory system, or taxation system for old age pensions, he is introducing a technique of socialism. In aiming to concentrate power in Ottawa he is introducing a technique of socialism and this will not give the best results. Let me tell the minister that while he is contemplating a revision of the old age pension set-up he will have my complete support only if he works for $50 a month pension to all people who are sixty years of age.

Mr. CASTLEDEN: I would point out that in certain cases men receiving old age pension, although they were seventy-three years of age, found their services required in harvesting, seeing that there was a great shortage of help. The Minister of Labour may be able to assist in this matter. These men, in spite of the fact that they were past the age when they should have been working, went into the harvest fields and did their best to assist in garnering the harvest. The fact that they were paid a small remuneration resulted in a letter being sent to them from the old age pension authorities to the effect that if they earned more than $40 or $50 they must be sure to report accordingly to the officials; otherwise they would discover later on, that this amount would be deducted from the miserable sum they were receiving. Under war conditions, if for no other reason, that sort of thing should be discouraged. These people who are working beyond their years and energy, trying at the same time to render some service, should not be penalized and made to feel that everything they earn beyond a certain sum will be taken from them because their income may reach the terrific sum of $365 per annum. Is there anything the minister can do to prevent that?

Mr. ILSLEY: There has to be some means test if there is a non-contributory old age pension scheme. There is everywhere. You do not pay non-contributory old age pensions regardless of the incomes that people receive. If a person has an income it must be taken into account in determining his pension. It becomes an argument then how much income he should be allowed, and many views have been advanced in that regard. After a good deal of correspondence with the provinces we increased the allowable outside income two or three months ago.

Mr. CASTLEDEN: What is it now?

Mr. ILSLEY: The total is $425. The allowable outside income is $125 over the $300.

Mr. BLACKMORE: I suggest to the minister that he might as well begin to think in terms of social credit in connection with the old age pension. He had better regard it as a dividend to be given to everyone regardless of income. If he does he will overcome all this difficulty about a means test. The complexities and difficulties inherent in social services will become so great unless he adopts some principle akin to the social credit system that it will be impossible for him to carry on. I am not warning him, but giving him counsel which will save himself and the country a lot of trouble. There is no need of a means test.

Mr. KNOWLES: May I ask one other question about the memorandum to which reference has been made? The minister knows that I am keenly interested in the old age pensions regulations and everything relating thereto. I appreciate the fact that it was a memorandum prepared by his officials for the minister, so that he may not be in a position to make it public; but is there any chance of its being made available