

Mr. Speaker, once again I demand an old age security pension with a fixed amount, payable without any investigation to every senior citizen in Canada. Indeed, every old people in Canada has equal rights, including the right to a guaranteed minimum income. And it is the duty of any government to guarantee this minimum income through the old age security pension, not by taxation which boosts poverty but rather by issuing credits according to the ratio between the productive potential of Canada and the constant state of equilibrium it should enjoy between consumption and production. That is the only way, according to us of the Ralliement créditiste, to straighten out the system and to really help the needy.

Mr. Speaker, what upsets me most as a member of Parliament, is the fact that the government, which is reputed to have good intentions, is in fact the real cause of poverty and hardship in Canada, because of its system of taxes and going into debt.

Before resuming my seat, I should like to suggest that the principle of the guaranteed income supplement be dropped, and that instead an amount equal to the sum of the pension and the guaranteed income supplement be paid all our old people. There would then be no need for investigations, forms to be filled out, red tape, all those things that annoy people and give no results.

Administration costs would thus be reduced by almost half and the surplus could be given to old people.

Basically, the government must review thoroughly its economic policy because that is where the problem lies.

Today, the provisions of the white paper seem the ideal solution to some members of Parliament but five years from now those members will ask to re-examine the problem because the amount of the proposed pensions will then prove to be insufficient, on account of the cost of living.

Mr. Speaker, everything would have to be started over again. We must not delude ourselves and suggest that the white paper or Bill C-202 contains a marvelous solution. It is false! The problem will only be temporarily solved because the proposed solution is not based on the value of production and consumption in Canada, but rather on some superficial needs of old people. This solution is evidently not based also on an extensive economic reform.

This is why as long as the basic problem is not solved, that is the economic problem, such solutions as Bill C-202 will only be superficial answers which will only worsen the issue or delay the settlement. The more we wait, the more it will be difficult to solve the problem.

An example of this is that the debts accumulated by the federal, provincial and municipal governments, due to interest on bonds and loans for supporting programs of one sort or another, are increasing steadily.

Mr. Speaker, if Canada's senior citizens are under the impression of getting a little more money, in fact they will get less as this new measure will contribute to increase the national debt in view of our wrong taxation system.

### Old Age Security

Mr. Speaker, we should rather resort to the issuing of new credits from the Bank of Canada, based on Canada's resources and on its productive value being at par with consumption, and not to promises as the ones that are being made at the present time.

• (4:20 p.m.)

[English]

**Mr. Ambrose Hubert Peddle (Grand-Falls-White Bay-Labrador):** Mr. Speaker, I have a few brief remarks to make on Bill C-202, an act to amend the Old Age Security Act. The recent white paper on income security claims the government wants to fight poverty. Bearing in mind the inconsistencies I have seen recently in government white papers and legislation, I cannot help wondering whether this was really the objective of hon. members opposite. It appears to me they are more preoccupied with measures calculated by the computers to have greater voter appeal. At times there seems to be an almost callous disregard on their part for certain segments of our society which are in a minority.

A case in point is the government's suggestion that everyone who earns more than \$10,000, even if it is only \$10,001, is rich, and therefore not entitled to receive family allowances. This, we are told, is a valid conclusion. If a man has ten children and earns \$10,000 a year, this beneficent government has decided that it will reduce his \$75 or \$80 family allowance to \$50 per month and make that \$50 taxable. If he has ten children and earns \$10,001 per year, they intend to remove him from the family allowance rolls altogether. Earning the extra dollar puts him out of the picture entirely, and under the new scheme the family income would be reduced by \$1,000 a year. Surely, everyone will agree with me that this is a ridiculous concept and one which will have to be adjusted.

Having said this, let me make it clear that I do not disagree with the principle that above a certain point people should not receive these social assistance payments. I do not agree in the particular case to which I have referred; the effect, as I have pointed out, is somewhat ridiculous and I mention it only to emphasize what I regard as a great inconsistency in this bill to amend the Old Age Security Act. The inconsistency lies in regarding a man who earns \$10,000 a year as being rich and taking the benefit of family allowances away from him while continuing to pay \$80 a month to paupers and millionaires alike. I know the government argues that the latter program is almost in the nature of a separate social contract between the state and the citizens; they say it has been financed since 1952 by a highly visible earmarked personal income tax. This may be true, but I do not accept the argument. Contributions to other social security programs may not be so clearly marked—I include the family allowance among them—but everybody knows that these things are paid for out of taxation.

• (4:30 p.m.)

The point I want to make is that there is inconsistency in the government's thinking. They will continue to pay