

*Old Age Security Act Amendment*

from which he retired, along with any pension income for that year, and substitute for them an estimate of his income from pensions, employment and any business in 1967. Thus, if he has no employment or business income but only his pension income in 1967, he would likely be better off to take this option.

Each year there will also be a group of pensioners who will retire from their employment or their businesses but who would qualify for supplements on a partial year basis. An option will be provided for them whereby they can use estimated income for the current year rather than past years' income and ignore earnings from the employment or business from which they have retired and have pension income counted only for the part of the year remaining after their retirement.

Some pensioners, although otherwise entitled to the guaranteed income supplement, may be temporarily out of the country for health reasons or to visit their children living abroad. It would seem fair to continue to pay the supplement to qualified pensioners for a reasonable period of absence from Canada. It is proposed that the supplement be paid in all cases for the month when the pensioner leaves Canada, and for a maximum of an additional six consecutive months. Payments would be resumed with the month when the pensioner returns to Canada. For those that remain permanently outside of Canada, in many different countries in many parts of the world, it would not be feasible for us to verify their statements of income in order to administer the guaranteed income supplement. For this reason, no provision has been made to cover those who leave Canada permanently.

The guaranteed income supplement will be administered by the old age security administration of the Department of National Health and Welfare. The income tax division of the Department of National Revenue will assist by matching information on statements of income received by National Health and Welfare against information obtained through income tax sources. Provision is made under the legislation for appeals against decisions or determinations made with respect to eligibility for and the amount of income supplement and basic pension payments.

In undertaking this program and in drafting the necessary legislation for it, the government has, of course, fully taken into account the constitutional authority of the federal parliament as it relates to old age pensions. The government is not in any doubt about the validity of the present Old Age Security Act,

[Mr. MacEachen.]

or parliament's authority to enact the amending bill to follow this resolution.

**Some hon. Members:** Hear, hear.

**Mr. MacEachen:** We believe that the proposals we will be placing before the house at the conclusion of this debate represent a conscientious and constructive attempt to meet the income problems of Canada's older people in a way which conforms closely to contemporary concepts of social justice. This program, we feel, will concentrate additional income where the need is most pressing—in the low and modest income areas. In this way, it achieves a realistic and equitable balance between the financial responsibilities of the federal government and its obligations toward those older people who have made such a substantial contribution to the nation's progress and prosperity.

With these thoughts in mind, I commend this resolution for the approval of hon. members.

**Mr. Douglas:** May I ask a question for clarification? There are two minor points I should like to clear up. The minister was reading rapidly, and I was not able to follow him completely. First, do I take it that supplementary payments received from provincial governments would not be considered as income? In the second place, is it correct to say that contributions from the families of old age pensioners would not be considered as income?

**Mr. MacEachen:** Yes. I am certain that the answer to the first question is, yes. The answer to the second question is, definitely, yes.

**Mr. Chatterton:** May I ask a further question? Will the minister agree to having this bill sent to a standing committee?

**Mr. MacEachen:** The bill will be examined in committee of the whole. I do not see the necessity at the present time of sending it to a committee. Hon. members have not seen the bill, yet; they may be able to determine the desirability or otherwise of sending it to a committee after they have had a chance to examine it. But at the present time, it is not proposed to send it to a standing committee.

I do not wish in any way to provoke a reaction from any quarter of the house, and I not make this comment for that purpose, but it will be apparent from what I have said, and because of the administration of the program, that the quicker we can deal with the legislation the earlier will extra money be placed in