

Old Age Security Act

most of whom do not want insurance, have never yet been unemployed in any significant numbers in their various occupations, but who will have to pour money into the unemployment insurance fund so that large benefits can be paid. Workers who will be affected are surely those who have strong bargaining powers in the economy, such as teachers and civil servants who know their wage negotiations will effectively gain back most of the money taken from them to pay for unemployment insurance.

It seems to me that when dealing with old age security, it is important that the principle of universality be maintained. These people have paid for this in their taxes and are entitled to some modest compensation in relation to inflation. The 2 per cent factor has been deleted, and this at least did something and is an important principle to maintain. It did not adequately reflect inflation over the past two years, but it did do something to keep the principle alive.

In addition to my remarks about inflation, I should like to present a plea on behalf of this group of people over 65 who are entitled to a share of the increased wealth of this country. There has been a slow growth in the real wealth of our Canadian economy, although it has been stagnant this year. In any event, all Canadians are entitled to share in this increase. Workers in highly unionized industries are, through wage agreements, able to achieve this share. Entrepreneurs and even non-unionized individuals are able to increase their share of the real wealth of the country as a result of automatic adjustments in the economy. Unless a citizen over 65 is unusually skilled or still has a saleable ability he is precluded from this, except perhaps through some accrualment of savings which he may have accumulated. Perhaps it is difficult to assess what the real increase is in order to bring him up to the equivalent level of 1966, but I think it might well be in the neighbourhood of \$10 per month. If one added the inflation factor to the 1966 rate, this would make the old age security pension close to \$100.

I feel this freezing of old age security points out the great weakness of selectivity. We are dealing with an age group which can only obtain a share of the economy through the action of government and not by their own efforts or the skills they may possess. I am very unhappy that this clause has been deleted. I think it would have been more just had the guaranteed income supplement been frozen, to be reviewed by the government and Parliament at appropriate intervals. We must assume that guaranteed income supplements are for those who have little or no means of supporting themselves other than by what the guaranteed income supplement brings them. Therefore, it is incumbent upon Parliament and the government to provide these people with whatever the economy can afford at a given time.

I wholeheartedly hope that the government will retain the 2 per cent factor and see fit to adopt this amendment.

[Translation]

Mr. Jean-L. Rochon (Ahuntsic): Mr. Speaker, a few days ago the hon. Minister of National Health and Wel-

[Mr. Ritchie.]

fare (Mr. Munro) tabled in the House a white paper on income security in Canada.

Having studied the content of that white paper, one realizes that it proposes that all allocations directly paid by the federal government be redistributed in such a way that those who need them most will benefit more from them.

Further studying the content of that white paper, one realizes that its proposals can be considered in the context of a rationalization of income security programs, a rationalization which will go a long way toward preventing and lessening poverty in Canada by redistributing the money of the system in a more equitable manner.

It is believed that the living conditions of millions of low income people will thus be improved, thousands of others will be prevented from becoming destitute and the basic revenue of most citizens will be given greater protection.

The more we examine that white paper, the more we see that it is a sort of challenge, consisting in a new income security policy that would enable us to help the people who need it most.

I listened very attentively to the hon. members who spoke or who, like the hon. member for Winnipeg North Centre (Mr. Knowles), moved an amendment. I do not question their sincerity. I am convinced that like us, they have but one ambition, that of helping those who really need it.

The government is blamed for introducing Bill C-202, which would freeze at \$80 the pension now granted to people 65 or over. We would certainly like to do more than we can at the present time. It is very well to say, in the midst of a great speech: We must give \$150 or \$200. If we had to give those \$200, I wonder how we could administer this country's business.

We regret that we cannot do more than that. I had an opportunity to say so, in committee, when we discussed that bill. It takes courage to tell the people what we are telling them now and to make them understand that we cannot give more than \$80 to older people.

We are paying only \$80 because we want those who are really in need, who should get the income supplement, to get it. If we pay only \$80 to those who need the income supplement, as the white paper points out, we will give the poorest a more substantial assistance. Instead of \$111 this would mean a \$135 pension which, within a few years, would reach almost \$150. In introducing Bill C-202, the government has only one ambition which is to help those who actually need it. To those who tell us we are not doing enough we shall answer that to administer is to foresee and this should encourage us in avoiding all unjustified expenses.

We would like to keep on granting the 2 per cent increase in addition to the guaranteed supplement but this entails enormous expenditures which the government cannot afford.

To administer is to foresee. This bill aims at helping our elderly people. This is why as a government member I am proud to vote for it.