

Pensions

thank the hon. member for Winnipeg North Centre for his opposition motion because it is quite a positive one.

Some hon. Members: Hear, hear!

Mr. Vince Dantzer (Okanagan North): Mr. Speaker, first of all, as one of the most recent members of this House, I should like to say how pleased I am to participate in this debate on pensions provided by the motion introduced by the hon. member for Winnipeg North Centre (Mr. Knowles). I think that the hon. member's great interest in the subject and his contribution to the whole area of pensions over the last number of years is well known to members of this House and, indeed, across this great country.

I welcome the opportunity to speak on the motion because it is of particular interest to me, and more important, it is of particular interest and relevance to my constituents in Okanagan North. As most Canadians are aware, Okanagan North is blessed with what is possibly the finest scenery and finest weather in all Canada. This fact is not lost on Canadians in other parts of this great land, particularly the prairie provinces of Saskatchewan, Alberta and Manitoba. After spending a lifetime of hard work enduring the vigorous and sometimes rigorous weather on the prairies it has become somewhat of a tradition that in later years Canadians from these areas can spend their golden years in the Okanagan Valley. May I say we welcome them and we will continue to welcome them because they make fine citizens indeed.

● (1630)

However, it means that my constituency enjoys a much greater number of senior citizens than the national average. Therefore, the whole question of pensions, adequate incomes and adequate housing for senior citizens is of great importance to the well-being of the people in my area, so I welcome the opportunity to speak on this topic.

The National Pensions Conference is to meet next week commencing on March 31. It will continue until April 2. I suppose this conference has been called by the government in recognition that the existing schemes both in government and in private industry have been unable to meet some of the very pressing needs of our senior citizens. Our existing pension schemes have been criticized because they are inadequate and do not provide adequate incomes for those who have retired, or for those who are retiring and, perhaps, because taxpayers are asking more than what their contributions would provide.

It is interesting to make a comparison of the contribution rates with other countries for old-age, disability and survivors insurance. In Sweden, the total contribution made by an individual is up to 20 per cent; in France, it is 12 per cent; in Switzerland, it is 9 per cent; in the United States it is about 10 per cent and in Canada it is only about 3.6 per cent.

My belief is that the 1980s will see the whole matter of pensions as one of the major social concerns of our time. There are two basic areas in the programs we have in place which have to be reassessed and improved if we are to meet the needs of the people who wish to retire in later years, and meet the

needs of those people already retired and no longer in the work force. Both the public and the private sector are concerned with pensions.

First, let me examine some of the inequities in the existing systems. It has already been mentioned in this House that our pension schemes are based on a three-tier system. We have public programs and the so-called private programs and systems. The public program consists of the old-age security, which is designed to provide a basic retirement income to everyone at the age of 65, regardless of means.

A second tier is the government program called the guaranteed income supplement, the purpose of which is to meet the needs of pensioners who have little or no income, apart from the basic old age security pension. This program, of course, is subject to a means test. Both OAS and the GIS are indexed.

If we examine these programs, we see they are really nothing more than guaranteed annual income. In the same tier is another program called the spouses' allowance. This program was introduced to provide assistance to couples where the oldest spouse was in receipt of OAS benefits but the younger spouse had not reached the mandatory age of 65.

The third tier of the pension system, and I believe the most important, encompasses the private pension schemes found throughout industry through employee-employer contracts and individual and tax supported registered retirement savings programs.

Unfortunately, because of a number of factors—mostly inflation—the system provides inadequate income for large segments of the senior citizen population. The most dramatic example of a group left out of the scheme are single women over the age of 60. It is a national scandal that this country has allowed this group in our society to subsist on less than the poverty wage, the ones who have given so much to our country in earlier years. I submit it is a national scandal and shame that this government, which runs a deficit of some \$14.2 billion a year which, on a whim or by the stroke of a pen can spend \$1.4 billion to buy an oil company, something which does not add one job, produce one drop of oil or in any way adds to our economy, allows these women to literally starve to death. I believe the hon. member for St. Catharines (Mr. Reid) later on to day will be enlarging on what I consider to be a national shame.

In a sense, the government pension schemes as practised by this government are somewhat of a fraud. This government points consistently to the \$35 a month increase which was given to the elderly last year. The minister has again referred to that increase in pensions this afternoon. I commend the government for at least fulfilling one of its election promises.

However, I strongly condemn this government for following such irresponsible economic and fiscal policies which have wiped out any benefit this increase might have meant to senior citizens. Indeed, such policies have worsened the lot of every retired person and every person on a fixed income, to such an extent they are at this moment struggling for their very