

Old Age Security Act Amendment

Mr. Kindt: Thank you. The hon. member who just spoke mentioned \$1.5 million. I have in my notes the figure of \$3.6 million. I am glad the minister has made this correction; it straightens things out.

The number of people involved is estimated to be about 800,000, and if you divide \$3.6 million by 800,000 you arrive at a figure of approximately \$5 a head. In other words, it will cost about \$5 per head or about 50 cents per person per month to administer this program which will pay \$30 a month to 800,000 old age pensioners. In my opinion the minister is empire building in putting forward this program. Added to the cost of administering the program must be the building costs and all the other matters involved in administering the legislation. I believe the costs of the program will eventually reach \$10 million.

In my view, and I am sure this is the view of the old age pensioners, it would be far better if these costs were paid out in the form of an addition to the old age pension. But this is not the principle being followed in this program. The costs of administration will be high. The minister says that the present estimate is \$3.6 million. These costs will have risen to \$10 million before the minister is finished with the program. I ask hon. members to divide my estimate of a cost of \$10 million by the 800,000 people who will be receiving the supplement, and they will find what the cost is per individual. It will amount to close to \$1 per month to pay the \$30 supplement.

It might pay the minister to make this calculation before we proceed any further with the bill. Then he will have some idea of what it will cost per individual to administer this plan. Let us not forget that these costs must be related to the \$30 a month that will be paid out per individual. The minister has at the back of his mind the idea of excluding from this program those who are millionaires. He is doing a tremendous injustice to those people who are in need. It would be far better to make the payment universal, take the \$225 million, or whatever the figure is, and divide it among the 1,200,000 old age pensioners. In this way all would receive the same old age payment.

I shall be glad to deal further with the question of administrative costs. The minister has not said anything about building costs or how many people will be employed to administer the program. In my estimation he will employ about 500 people, or the number might be as high as 1,000. What will be the average salary of these people? It will be

perhaps \$8,000. Having looked at the estimates of the minister's department, I think this is a reasonable figure. If you multiply \$8,000 by the 750 people who will probably be involved you arrive at the figure of \$6 million. We are being hoodwinked on the question of administrative costs. We are being told one thing in order that the minister can sell this program to the people, but it will cost far more to administer than the figure the minister has mentioned.

If the minister does not think I am right, let him sharpen his pencil and begin figuring out these costs, because I am certain the figure the minister has given us is far, far too low. Let him tell us how many people he thinks will be employed to administer the program. How many people will it take to check 1,200,000 applications? What about the costs involved in housing these people? We have not heard anything about these matters. The minister is trying to sell us a bill of goods without giving us the facts. He has made an estimate of \$3.6 million. I wonder how far he will get with \$3.6 million in administering the plan and checking on the income of 1,200,000 people. He will not get to first base, and he knows it.

I say to the Minister of Transport, who is now laughing, that he should figure out these costs before the government continues with the program. They want to build a bureaucracy and hire Liberals to fill the positions. They do not care one fig about how big the bureaucracy gets and how many people are put behind desks to administer a program that is absolutely unnecessary. All that is needed is a simple amendment to the existing Old Age Security Act. The staff now administering that act could also administer this plan and distribute the money. It would be a simple question of arithmetic. No additional staff would be needed, or virtually none. The people employed in the department at the present time could administer an increase of \$30 per month, or whatever the amount will be, to our old age pensioners.

However, the Minister of National Health and Welfare and the Minister of Transport do not think this way. They think in terms of building a bureaucracy, to which the people of this country are violently opposed. The people of Canada look at the number of civil servants on the payroll and consider that the cost involved is already far too high. But here we are asked to pass a bill to add 750 or 1,000 people to the government payroll. Why do it? It is absolutely unnecessary, and the cost of