

You know, Mr. Speaker, it is about time we took pensions out of politics. I recall that in 1957, after the Liberal government of the day attempted to increase pensions by \$6, from \$40 to \$46, it was defeated. The Conservative government was elected in 1957. As I say, they won the election and the Liberals were referred to as the "six buck boys". On assuming power, the right hon. member for Prince Albert (Mr. Diefenbaker), immediately increased the old age pension to \$55. This was welcome news for the senior citizens. Since then, the pension has been increased by amounts of \$10, and now it is at the level of \$75 plus the 2 per cent cost of living provision. As a result of the legislation we are now considering, Liberal members will not any longer be called the "six buck boys"; they will be called the "ten cent boys". Let me tell you why, Mr. Speaker.

As of January 1, our old age pensioners will be receiving \$80. That is an increase of 42 cents over the present pension of \$79.58. That 42 cents a month works out to approximately ten cents a week. For that reason, instead of being tagged as the six dollar boys, the Liberals will be tagged as the "ten cent boys".

Mr. Stanfield: The pensioners will get less than ten cents a week.

Mr. Gilbert: As the Leader of the Opposition (Mr. Stanfield) says, our pensioners will get less than ten cents a week. That is a fine Christmas gift for our government to give our pensioners. I am sure that hon. members will be proud to tell the senior citizens of their ridings that they are to get an increase of less than ten cents a week.

Mr. Ryan: Brother, can you spare a dime?

Mr. Gilbert: Nor is that all. Beginning on January 1, many of our pensioners will be denied the benefit of the 2 per cent escalation clause. Can you imagine that! If this bill does not pass during the present session, some of our pensioners will get \$81.17. If it should pass, they will get only \$80. In addition, they will be denied the benefit of the 2 per cent increase that is designed to take care, in part, of increases in the cost of living. Is this something that Liberal members ought to be proud of when they return to their constituencies and face the senior citizens of their ridings?

Mr. Ryan: No, certainly not.

Mr. Gilbert: I am not proud of this bill, and I would not wish to be part and parcel of this type of legal chicanery that is being imposed on Canadians at this time.

Not long ago the Minister of Finance, in one of his ebullient remarks, said that a single person could live on \$30 a week. The hon. member for Winnipeg North Centre took him up on this and proposed a motion for testing the Minister of Finance. The motion asked the minister to live on \$30 a week for a few months, and then report

Old Age Security

to the House his experience. The minister did not accept that challenge. This morning the hon. member for Regina East (Mr. Burton) invited the Minister of Finance to attempt to live on approximately \$39 a week. This is the amount the average unemployed person receives in unemployment insurance benefits. The Minister of Finance did not accept the challenge. Is it any wonder?

● (2:20 p.m.)

The Senate Committee on Poverty, and other committees, found that it cost \$1,800 for a single person to exist in Canada in the year 1968. The figure for 1970 is \$1,944. In 1968, the amount a married couple needed to exist in Canada was \$3,000. The figure for 1970 is \$3,240. A single person receiving the basic pension of \$80 and the income supplement of \$53 a month receives \$1,620 per year. This is far below the poverty line set by the Senate Committee on Poverty. The amount required by a married couple in 1970 is \$3,240. Under the proposed legislation they will be receiving \$255 a month or \$3,020 a year. This is the type of legislation the government has introduced.

As the hon. member for Timiskaming (Mr. Peters) stated this morning, these people will not only be living below the poverty line, but they will be taxed as well. A single person will be taxed on any moneys he receives over \$1,100. In other words, a single person who receives \$1,620 will be taxed on \$525 at a rate of 15 per cent. This amounts to \$75. With a deduction from the pension of \$75, a person will be living far below the poverty line. The same situation applies to married couples. There was no magnanimity on the part of the Minister of Finance with regard to removing these people from under the income tax umbrella. Is it any wonder the hon. member for Winnipeg North Centre has called this a bad bill?

We must not lose sight of the fact that it was Mr. J. S. Woodsworth who forced the government to introduce pensions. When they were first introduced, they were in the amount of a miserable \$20 a month. In addition, a means test was required. Since that time there has been a steady progression with regard to increases and changes in principle.

In 1951 a very important principle was implemented, the principle of universality. From 1951 to 1966 all Canadians, regardless of their income, received the basic pension. In 1966, the guaranteed income supplement was introduced. Attached to that guaranteed income supplement was an escalation clause which provided that if the cost of living increased more than 2 per cent in any one year, the old age pension would be increased by 2 per cent. Experience has shown that in Canada the cost of living has increased substantially more than 2 per cent per year since that time. Old age pensioners have not only received the basic \$75, but the 2 per cent escalation.

We have developed two principles. One, the principle of universality and, two, the principle of the escalation clause related to the cost of living. What are we doing in this legislation? We are casting aside the principle with regard to universality and limiting the principle related to escalation. Hon. members should realize that experi-