

Old Age Security Act Amendment

easier to make pension payments and collect the wherewithal to do so.

There is one valid argument which can be raised in opposition to any penalty imposed on the thrifty of this nation. Thousands of citizens have saved a little and have acquired certain assets which produce income. They may live alongside others who have not been as thrifty; yet they will be penalized. I still regard thriftiness as an attribute and it seems to me that the application of such a penalty will not be acceptable.

Some hon. members have argued on both sides of this question at the same time. If there is a determination on the part of the members of this house to provide a maximum increase to those who need it most we should do so. However, if hon. members are more concerned about the penalizing of citizens who have been thrifty, that is another argument. They cannot have it both ways.

In so far as the interpretation of the application of an income test is concerned though it may have some inherent injustices, as other members have suggested, it is substantially different from a means test as means tests have been applied in the past. As means tests have been applied in the past in all provinces which have paid old age pensions, the value of the home, bonds and bank accounts have been totalled. If the total, calculated on a cash basis, was greater than a certain figure the applicant was disqualified. I am in agreement with the minister who has said that if a home and other assets do not produce direct income of more than \$360 per year they should not be taken into account. Surely that means there is a distinct difference in the interpretation of a means and income test.

There is also a distinct difference between a needs and income test. For many years the Alberta government has been paying supplementary payments to those received by senior citizens from the federal government in the way of old age security. These supplementary payments in recent years have been determined on the basis of a needs test. Social welfare workers have gone out into the field and have reckoned the cost of senior citizens' requirement for food, clothing, shelter, drugs and those other things which fall within the needs category. Whatever income they found available to the applicant, including old age security payments, was subtracted from the maximum award available to a senior citizen. For those reasons I suggest it is unfair to suggest there is no difference between a

The increasing cost of rent poses a serious problem for the senior citizens of Canada. I was contacted the other day by one of my townsmen in Napanee who asked me to remind the minister that after the last increase in the old age pension most of it was absorbed by raised rents, as a result of which many pensioners derived no benefit so far as their personal wants were concerned. Let me ask the minister to pay close attention to this fact lest there be another escalation in rents as a result of this legislation. Surely there must be some way of protecting the aged against unscrupulous and unfair increases in rents.

In closing let me again ask the government to face up to the inevitable failure which will result if this legislation is passed as it stands. The government should abandon this expensive and inefficient bill in favour of a flat rate increase to the senior needy citizens of this country. Let me ask again how many times this government "can turn its head pretending it just does not see"? Let parliament as a whole point out the needs of the aged and help to bring forth legislation which will meet those needs.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I do not intend to intervene at great length at this time because, as has been stated by members of this party, we intend to vote for the bill in order to obtain an increase in pensions for our senior citizens as quickly as possible. There are, however, one or two matters I think should be drawn to the attention of the minister. The fact that I do so may not lead to an amendment to the bill, but I hope it will lead to a moderation of the type of administration we have observed in the past.

At the outset let me say it appears that this debate has been reduced to a discussion surrounding the interpretation of a means, needs or income test. Some members who have spoken today and earlier during the debate cannot or are unwilling to distinguish between the three. So far as I am concerned there is a decided difference between a means test and a needs test and between a means or needs test and an income test.

There is a paradox involved in all three of these tests in that an attempt is made to penalize the thrifty while at the same time giving a maximum increase to those who need it most. If the application of legislation of this kind was as simple as some hon. members have tried to make out, it would be easy to draft and adopt a measure which was satisfactory to the nation as a whole. It would also be