

The Budget—Mr. Knowles

preceded me questioned the arithmetic of another member of the house. I must certainly question the arithmetical processes which went on in the mind of the Minister of National Health and Welfare yesterday.

Mr. Macdonnell: He is a philosopher, not an arithmetician.

Mr. Knowles: Then he certainly got out of his field. I thought he was a lawyer. At any rate, he stood up yesterday and said that two-thirds of the federal government proposals made to the dominion-provincial conference in 1945 had been implemented. He set out to try to prove the assertion that the program had been implemented to the extent of two-thirds. In the course of that attempt he did at least refer to issues which were important in 1945 and which are still very important today. It is those issues to which he was called upon to refer that I feel call for a statement of intention and policy on the part of the government and the Leader of the Opposition.

First of all, the Minister of National Health and Welfare referred to the payments made to the provinces in return for the rental of certain tax fields. He made reference to the figure in the green books of 1945 to the effect that the payments in 1944 would have been \$206 million whereas in the present year the amount to be paid is \$320 million, and on the basis of that figure he suggested that the federal government has exceeded what it promised in 1945. I asked an innocent little question as to whether or not he had these figures in constant dollars. He said he did but he did not take the time to give them.

The fact of the matter is that the statement in the green books that the amounts paid to the provinces in 1944 would have totalled \$206 million is in a column at the top of which it is made clear that this amount was based on an assumed gross national production of approximately \$12 billion. As everyone knows, the gross national production today is twice that figure or more. Likewise, the value of the dollar is about half what it was in 1944 or 1945. I suggest, therefore, that the \$360 million being paid today should be compared not with the \$206 million figure suggested in the green books but rather should be compared with a figure twice that amount, namely, \$412 million. On that basis the implementation of that aspect of the green book proposals is to the extent of about 77 per cent.

So far so good, Mr. Speaker. On that item the percentage of implementation is a little higher than the 66½ per cent indicated by the Minister of National Health and Welfare. I say so far so good. That is the only

point on which the two-thirds figure is even reached. The Minister of National Health and Welfare then referred to the old age pension program. He pointed out that the 1945 proposal to the provinces was that a pension of \$30 a month be paid to everyone 70 years of age and over without a means test, paid in full by the federal government, and that a pension of \$30 a month be paid to those between 65 and 69 on a means test basis financed fifty-fifty between the federal government and the provinces.

He proceeded to jump right from the making of that offer in 1945 to the present program, completely forgetting of course all the prodding and agitating that was necessary in the meantime, completely forgetting the fact that there was a committee of both houses of parliament which dealt with this matter and made a report on the basis of which legislation was finally introduced in 1951, which became effective only in 1952. But without going into that, may I point out that the Minister of National Health and Welfare proceeded to try to tell us that since there was now an old age pension program almost identical with what was offered in 1945, except that the figure is \$40 instead of \$30, the government is doing better than it proposed in 1945.

Again, Mr. Speaker, there is that innocent little question of mine about constant dollars. Surely the Minister of National Health and Welfare knows that \$40 in 1955 cannot be called more than \$30 was in 1945. If the government is going to claim today implementation of what was offered in respect of old age pensions in 1945, the figure should be at least \$60 a month, if not quite a bit more. I suggest to the government that this is one of the points on which the nation has a right to expect a statement at the present time. It is not good enough for the government to boast of what has been done in the field of old age security. Far too many of our people are suffering, particularly those who only have the \$40 a month on which to live. After all, \$40 today would be equal in value to \$20 a month in 1944 or 1945.

I call upon the Minister of National Health and Welfare not to delight us as he did yesterday with a speech that boasts of the past but tells us nothing about the future. Rather it is his duty to indicate to the house when steps are going to be taken to increase the amount of that pension. I suggest that there is a case where at the most the government has implemented—and only under pressure at that—its proposals of 1945 to the tune of 60 or 65 per cent, if you look at it in terms of constant dollars. I move on to the question of health.