

opening remarks she demonstrated more than a real feeling for poor people in Canada, as she has done on other occasions. I commend her on her appointment.

● (2130)

At the same time, Mr. Speaker, I should like to congratulate my colleague, the hon. member for Rosedale (Mr. Crombie), on his most excellent remarks, as well as all those who have participated in this debate, particularly the hon. member who made his maiden speech tonight.

Some time ago, Mr. Speaker, Robert Browning wrote some very famous words:

Grow old along with me

The best is yet to be

The last of life, for which the first was made.

I think the concept that Robert Browning had in mind for senior citizens is a really wonderful idea, but it is an idea that has not been realized in our lifetime. Canada's senior citizens, in more difficult times than we enjoy, created for us a much better way of life than they had. They did it with a lot of self sacrifice and a lot of hard work. Today, hundreds of thousands of our fellow Canadians, our senior citizens, live below the poverty line and do not share in any measure in the prosperity that their hard work helped create.

In her opening remarks the minister indicated that 700,000 Canadians who are single, including widows, widowers and separated people, live in poverty. I have to say that their reality does not reflect Robert Browning's ideals.

I feel that the bill before us is a step in the right direction, however, and I feel that the minister's dedication to seeing that the \$35 per household—\$35 per couple, or \$35 for a widow or widower who lives alone in a household—is passed on to that person and does not become absorbed by another program, no matter how worthy, is just about as important as the amendment she has proposed. I support her in that regard and will do everything I can to see that hope fulfilled. I believe it is a step in the right direction.

There are some features of the bill that cause us to reflect on the programs represented by the guaranteed income supplement. I think of two things: one is indexing, and other is the means test. I should like to see the formula for indexing changed to reflect the actual purchases made by senior citizens on slender incomes. At the present time indexation is tied to the consumer price index, which represents the average of increases in price of a wide variety or basket of goods, whereas senior citizens on slender incomes spend their money basically on food, heat and—if they have any left—on accommodation and a very small amount of clothing. These items rise much faster than the average. I should like to see these staples used as the basis for the guaranteed income supplement and the old age pension.

As for the means test, I should like to see the House address the question of the reality of the means test in view of the decreasing purchasing power of our dollar. These two things are somewhat related but not entirely so, because the guaran-

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teed income supplement depends very much on the formula that is used for the means test.

In terms of indexing pensions in the private sector of our economy, we have had very little experience of this because they are not indexed to any great extent. In the public sector we have had some experience, and it is under study. I should like us to match the private and public experiences and look for a high interest vehicle so that all Canadians in the low and middle income groups could have their pensions indexed. The alternative to this is to see Canada's senior citizens get by with one less egg, one less piece of bread, one less vegetable every week—week after week. In an inflationary economy such as we have experienced throughout the seventies, this is the alternative to indexing. It is an alternative that cannot be acceptable to any thinking Canadian. We should use the best brains available to devise some kind of higher interest vehicle.

Today, trust companies borrow money at 12 per cent on guaranteed investment certificates and lend it out on mortgages at 14 per cent. With the 2 per cent difference they provide a profit to shareholders and defray the cost of administration. Maybe we should consider investing in mortgages because the interest rate paid on mortgages and the interest rate on guaranteed investment certificates is higher than the consumer price index and higher than the inflation index. I believe we should examine this possibility. I have a private member's bill before the House that deals with some of these things and I look forward to an opportunity in the near future of discussing them at greater length.

Since I first came to Parliament I have spoken on one or two occasions in favour of a \$200 basic old age pension. I have not been able to convince all of my colleagues in opposition of the merit of this proposition, and I certainly have not been able to convince my colleagues in government.

Mr. Knowles: Try \$300.

Mr. Howie: I believe the hon. member for Winnipeg North Centre (Mr. Knowles) is an ally in my cause. I think the time will come when we must focus on the resources of our nation with this proposition, and I hope that time will come quickly.

Another thing that is very important is to enable senior citizens to live in their own homes as long as they possibly can. When the time comes that they cannot live there any longer, they should be treated with understanding and compassion. Before the last government fell, Canada Mortgage and Housing Corporation was examining a proposition for a shelter allowance and attempting to identify areas where funds could be reallocated to support it. The concept was based upon the need of a senior citizen who spends more than 30 per cent of income on housing. In view of the rapidly rising cost of energy, particularly home heating, this is a very valid and real consideration. I would personally like to see the figure of 25 per cent used. That study should be continued and the issue addressed by this House.

When senior citizens are no longer able to continue living in their own homes, perhaps because of disability or illness, other arrangements must be made. I am very impressed with a