Mr. Douglas (Nanaimo-Cowichan-The Islands): "Chiselled" is the word.

• (4:00 p.m.)

Mr. Knowles (Winnipeg North Centre): That might be the word, but I would not be so unkind.

There is no principle, no philosophy and no rationale to this cut. It amounts simply to figuring out within the terms of so many dollars how it can be done. Whenever you abandon principles or try to resolve a social problem on the basis of expediency, you get into trouble, and if the minister feels he is aging I can quite readily understand. I urge that we get back to principles and admit that our senior citizens are entitled to equity. They are entitled to a recognition of the contract that was made with them. They are entitled to have their escalation in the basic pension continued in the terms expressed by Miss Judy LaMarsh in this House of Commons with regard to future pensions. There was no cut-off. The Liberals of those years were proud of what they had done.

Now, thanks to your ruling, Mr. Speaker, which gives me another few minutes, I should like to indicate one of the things which bothers me. This is my sixth remark about this. This course of action is a further attack on the principle of universality itself. In 1950, when the Old Age Security Committee reported to Parliament, I had the great honour of being a member of that committee and of having helped to draft the report. It was one of the finest committees on which I have ever served. The committee recommended that old age pensions be universal with no means test or needs test of any kind. I could quote from Mr. Pearson some years later, but I shall not take the time to do so, when he emphasized the fact that we had committed ourselves to a principle that old age pensions would be universal with no test at all attached to them. As a matter of fact, Mr. Pearson said that as late as 1965.

Is the minister objecting to what I am quoting?

Mr. Sharp: It was a private conversation.

Mr. Knowles (Winnipeg North Centre): Perhaps I might quote what the present Secretary of State for External Affairs (Mr. Sharp) said, when he was Minister of Finance, in his budget of 1966. He pointed out that he had only one course when there was a shortage of money and that was to find ways to raise money, but that he had no permission to cut back on pensions. It took many years to get the Liberals to accept the principle of universality. Once they accepted it in 1950, and put it into effect in 1951 in respect of the Old Age Security Act. which came into effect on January 1, 1952, they were as proud as peacocks about it and for years they told everybody that it was the Liberals who had brought in this tremendous plan, the best in the world. When some of us reminded them that we had prodded them into doing it they said, "yes, there was prodding from the opposition side, but we did it".

Old Age Security Act

Then along comes December 1966 when this universality was violated by the guaranteed income supplement. Now, it is being done again. Even with the guaranteed income supplement of 1966, we still remained the universal escalation according to the cost of living. Now, even that is being taken away today. This is a further attack on the principle of universality. It is a further downgrading of a principle which I assert was one of the finest ever implemented by the Parliament of Canada when it placed old age pensions on a universal basis. As I say, there was boasting about it by Liberals all over the country, especially at election time. There was boasting particularly about the cost of living supplement. There were even statements to the effect that the Old Age Security Act was now outside of politics. No one ever swallowed that, and I do not believe there is anything bad about having political issues here. Certainly, this one is political now and will be until we get it back on the rails. I suggest that the Liberals should not write off the position of Louis St. Laurent, Lester Pearson, Paul Martin and Judy LaMarsh. I have not often sung their praises, have I?

Mr. Francis: Very rarely.

Mr. Knowles (Winnipeg North Centre): My friend says "very rarely", and he is probably right. But even they became converted. Sometimes we hear about the generation gap and the fact that some of us do not understand these things and today's approach. I am happy to belong to a generation that believed that, especially when people reach retirement age, what is done for them should be done as a matter of right on a universal basis without any of these tests. Even if it takes us a while to get back, in the next generation they will believe that our generation was right and that this generation of Liberals is doing the wrong thing.

Those who came before us in this part of the House, Mr. Speaker, and those of us who followed them required 20 years to persuade the Liberals to take off the means test and bring in universality in respect of old age pensions. We finally won in 1950. This victory lasted for 15 or 16 years. We lost part of it in 1966 and we are losing more of it today. We are losing a part which will hit people very hard. We are denying some of our people the right to have their pension escalated when the cost of living goes up. Remember that the cost of living goes up for everybody, not just for some.

I hope the pleas which have been made, my pleas and the pleas which will come after me, will have some effect. If not, we may lose today's battle. But this is not the end of the war. This plea for an approach to equality, and for universality in respect of our older people in particular, is sound, just, humane and Canadian. I hope the vote today will bring back universality of escalation. But if we lose it today, even if it takes us another 20 years to get it back, we will keep up the battle for another 20 years or until we win, for right is on our side.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I believe we have listened to a very effective speech in