

wants that. In spite of those billions, there are still Canadians starving in Canada. That is why, today, we have decided to work together, in an attempt to find a way to give them some security, some freedom and the possibility of leading a decent life.

To my mind, Mr. Speaker, we must continue to work in that direction and achieve that objective in Canada, namely the adoption of a guaranteed annual income that would give the handicapped, those who are unable to work, income security, while also allowing those with guts, those who want to work to do so without being penalized as in the case under our present social legislation such as unemployment insurance and social welfare. Today, when someone wants to leave the house and go to work, to help build his country, he is penalized right away because under our present laws he does not have the right to do so. We are thus deprived of his energy, his brains, his possibilities, his talents which could be put to good use in adopting a guaranteed annual income which would not automatically encourage sloth in Canadians, but which, on the contrary, would bring them out of their homes, get them to work and produce even more, thus enabling the country to do even more for the needy. It is in that spirit, Mr. Speaker, that we must remember today's debate, because all political parties represented in this House gave their approval to this basic principle.

Even though we do not agree completely on the figures, Mr. Speaker, I consider this quite normal. In the past, when we talked about an old age security pension of \$150 a month, people laughed at us. Today, it is even higher and everyone finds this reasonable. In a year or two, the wishes of Senator Croll and the opinions that we have expressed may come true. I hope that the young people of today, who are looking everywhere and do not know what to do with their talents, will by then be able to work, to produce, and maybe also to help eliminate the drug problem which is now overwhelming, and will also check this movement towards the destruction of the Canadian, and especially the French-Canadian, family.

The Acting Speaker (Mr. Boulanger): It being ten o'clock, it is my duty to inform the House that, pursuant to section 11 of Standing Order 58, the proceedings on the motion have expired.

● (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

SOCIAL SECURITY—POSSIBILITY OF PRODUCTION OF COST OF LIVING INDEX RELATED TO GOODS AND SERVICES PURCHASED BY PENSIONERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question for this "late show" period tonight follows rather naturally on the debate that has been

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taking place today. All day long we have been discussing the desirability of a guaranteed annual income, and several times during the debate spokesmen on the government side have made the point that the escalation of old age security and other pensions represents an effort on the part of the government and on the part of parliament to keep pension incomes at a certain guaranteed level.

A few days ago, on Wednesday, March 13, I asked the Minister of National Health and Welfare (Mr. Lalonde) whether he would have a discussion with Statistics Canada regarding the possibility of producing a cost of living index that was based on the actual goods and services that senior citizens and retired persons have to purchase. In his reply the minister said that the matter was, to his knowledge, under consideration by Statistics Canada, and he was favourable to that study being continued. But he suggested that there might be a danger if a special cost of living index for older persons were based largely on food and the time came when the food index did not rise quite as high as other indices, or when it might even drop.

I want to say in passing that most retired people would gamble on that. They are not so worried about times when prices drop as they are about what is more normal, times when prices are rising. And, after all, there is a floor under escalations that have been added. Legislation with respect to all escalations is quite clear, namely, that once an escalation has been given it is not withdrawn. In other words, there is no drop in anyone's pension once it has been raised in accordance with the cost of living.

I recognize the problems that exist, but I want to put it to the government—and I see that tonight I am putting it to the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. Cafik)—that this question does have to be looked at very seriously. Nothing is ever finally settled in this place, let that be clear. I see the Secretary of State for External Affairs (Mr. Sharp) realizes that and he has decided to go home. Just because we had an escalation, first of 2 per cent and then equal to the actual cost of living increase, that is not the end of the story.

For example, next month, in April, there will be an increase in the basic old age security pension on a quarterly indexing basis which will amount to only \$1.95. Many pensioners are writing to us and asking how come that is all they get. I try to explain to them that this is because the quarterly indexing is always a bit delayed, and that what they are getting is an increase based on the amount by which the cost of living in November, December and January went up over what it was last August, September and October. Therefore, in April pensioners get an adjustment in relation to the cost of living which in November was a certain percentage higher than it was in August, and so it is always behind.

Therefore, I submit that some improvement must be made. There are a number of ways of improving the situation. One is to have an index that does relate to the things that pensioners have to buy. Another is to do some guessing. Statistics Canada can be as good at that as in telling us what has happened in the past, and there could be estimates of how the cost of living is likely to go in the next three months. Or better still, there could be provided a new base that is higher—one of the troubles with today's