

Old Age Security Act Amendment

thrift, of self-reliance and of storing for a rainy day be penalized and deprived of this increase while many who took no such precaution and paid no attention to these principles which the minister espouses by lip service will benefit? Why should those who in days gone by followed the time-honoured injunction of laying up a store for themselves be penalized?

In the measure that is before us on third reading and in the speech which the minister made to the house tonight we find complete and absolute support of the statements made by Mr. Peter Newman, a friend of the Liberal government. In today's *Toronto Star* there appears an analysis of last night's budget speech. Mr. Newman has frequently exposed the cynicism of this government, a cynicism exemplified in the attitude of the Minister of National Health and Welfare, a minister who talks about cynicism displayed by the difference in attitude of people who talk one way and vote another.

What about the cynicism exemplified in the conduct of this government which promised medicare by July 1, 1967 and then turned around and said, "You will not have it until July 1, 1968"? What about the cynicism of the Minister of National Health and Welfare who, above all others, identified himself with the program of medicare to be put into effect on July 1, 1967 and then supinely stood up and supported the proposition that we could not have it until July 1, 1968? What about the cynicism of the government which, having decided to postpone medicare until 1968, then brought the measure before the house in advance of the old age pension legislation and now has the hypocrisy to say, "If you talk about old age pensions at this stage you will be depriving the old people of Canada of their much needed benefits"? Who deprived them of those benefits? It is the government who put the medicare plan which it decided would not be effective until 1968 ahead of old age pensions and then had the effrontery to try to bluff and blackmail parliament by saying, "If you do not pass medicare tonight you will be the ones who will be denying the old people their much-needed assistance".

In this attitude we can see exemplified perfectly that which Mr. Newman said about the budget last night. I have here some choice quotations illustrating the victory of the right wing reactionary section of the Liberal cabinet, the cabinet which refuses to answer any questions regarding the implications of this

pensions bill. Here is what Mr. Newman said as reported in today's *Toronto Star*:

The message was unmistakable: Under Mr. Sharp's stewardship, there will be no more social welfare benefits, unless they're directly tied into an equivalent tax increase. This will be true, whether or not the government actually needs the extra revenues.

What does the Minister of National Health and Welfare say to that? Little Jack Horner is so pleased with himself that all he does is congratulate himself on his own speech.

Then Mr. Newman goes on to say:

After a decade of carefree spending, this amounts to a brand new budgeting approach. It casts the tone of government finances back to the pre-election budget of 1957, when Walter Harris, the then finance minister had a budgetary surplus of \$258 million, but for what he considered to be sound economic reasons, paid out only \$100 million in additional welfare payments.

We used to talk about "six buck Harris". Now we apparently have "thirty buck needs test MacEachen".

Mr. Newman goes on to say:

In his budget, Mitchell Sharp moves even further toward fiscal orthodoxy, by pegging not only the amount but the exact timing of the new benefits to the collection of the new taxes.

We understand that the increase in pension cheques will not be effective until March or possibly April of next year. Might one not ask the following question? Why then do we need a budget harming the very old age pensioners whom we are supposed to benefit on January 1st of this year? Why should they be paying extra taxes for three months before they get any benefits? Can the minister answer that? Can the Minister of Indian Affairs and Northern Development answer that question? Can the Minister of National Defence answer that, or is he supremely indifferent? Can either the Minister of Transport or the Minister of Labour answer that? I also see the Solicitor General, the Minister of Industry and the Minister of National Health and Welfare. They are all here but none of them is sufficiently interested to answer the very important question of why old age pensioners who will not receive any benefits until March or April should start paying the taxes in January of next year.

This is an example of the solicitude of this government for the old age pensioners whom they are supposed to be helping. We have not heard from them one word of explanation. Again their silence gives assent to the criticism that is made.

I will give another quotation from Mr. Newman's analysis of the Sharp budget.