

Old Age Pensions

I support to some degree the arguments offered by my friends to the left. Occasionally I make interjections when they speak, but I hope they will not feel I do so in any spirit of levity. It is merely because at times they do say humorous things. I agree with hon. members in the Social Credit group on the general principle that what is physically possible should be made financially possible. Perhaps we do not agree one hundred per cent on the method by which this could be done, but certainly I think it is time the house considered the fact that the productive capacity of our country has increased tremendously, and is still increasing. As was pointed out not long ago, our gross national product in 1953 reached a value of more than \$24 billion. If it is possible to produce goods and services to the extent of \$2 billion a month, then certainly there must be something radically wrong with our financial system if it does not distribute the wealth it has created.

I certainly hope the house will give its unprejudiced attention to the ways and means by which the distribution of wealth in this country can be accomplished. We have our views on that subject. My colleagues and I on various occasions have suggested how we think it can be done. I simply reiterate that we still believe the best and most effective way in which to redistribute the wealth of the country and to place purchasing power in the hands of the people who need it, and who can and will use it, is by the social security measures we have championed through the years.

There may be other ways. We are open to suggestions and would like to hear the government's views of how they intend to do it. But there is one thing upon which I think we will all agree, regardless of party, and that is that if we can produce goods and services to a value of \$24 billion, even allowing a third for capital replacement and extension, we must find some means of distributing the other \$18 billion to the people so that we may raise the general standard of living of all our citizens.

Hon. Paul Martin (Minister of National Health and Welfare): Mr. Speaker, I should like to take only a very few minutes to place on record one or two statistics that I do not think have been borne in mind by those who have spoken this afternoon, with the exception of the sponsor. At least the hon. member for Lethbridge (Mr. Blackmore) predicated his submission upon a monetary theory that is not now the orthodox and accepted way of financing government expenditures in this country.

[Mr. Zaplitny.]

But others who have spoken, I take it, assume that the general monetary policy pursued in this country at the present time is, generally speaking, the one that should be pursued. And within the context of that assumption it should be noted that the proposal made by the hon. member for Lethbridge, on the basis of 1951 figures, assuming a population aged 60 of 1,631,900 would cost a total of \$1,174,968,000. On the basis of an estimated population aged 60, for 1954, of 1,734,000, the total cost of that program would be \$1,248,480,000. This would mean that we would spend in 1954, for old age security, not the sum of \$339 million, as we now estimate, but an additional \$900 million.

Now, I ask the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member who has just spoken, and who generally gives great thought and care to what he says, if they seriously wish anyone in the house or in the country to believe, having in mind even the present level of the national product, that it is possible for us to do these things?

I take second place to no man in my desire to see improved and responsible social measures; but it is my duty as Minister of National Health and Welfare to point out the limitations and the extent to which some of these things can be realized.

Mr. Argue: Try deficit financing.

Mr. Martin: My hon. friend says to try deficit financing. Well, let me tell him what the provincial treasurer in the province of Saskatchewan has to say about irresponsible suggestions such as are made from time to time by some people, including the hon. member. Here is what Mr. Fines, provincial treasurer in Saskatchewan, said the other day:

We must not increase our social services and health services and educational services to a level beyond which we cannot maintain them.

Those are words which, if used by me, would bring opposition at once from my honourable and genial friend, the hon. member for Winnipeg North Centre. But I have quoted, not a Liberal—no, not a doctrinaire Liberal—I have quoted the provincial treasurer in the only socialist government in this part of the British commonwealth.

Seriously, sir, I think we must realize that when proposals are made in the House of Commons they can raise false hopes; and I suggest the proposal made today, having in mind that it would be financed under an orthodox financial system, is one that cannot be taken seriously. When one considers that the total expenditures of the government