

who are infirm and suffer the accidents of life but, more to the point and related to the bill before us, the hon. member for Lanark-Renfrew-Carleton thinks the bill is good because we are going to recognize this principle in respect of the aged.

In expanding upon his support of the principle of the bill he referred to experiences he had had in a profession which he followed before entering this chamber. He talked at some length about his experience in northern Ontario where in his first parish, before having been in residence for two hours, 20 transients knocked on his door. He went on to talk about having to decide whether it is in the best interest of these people to help them so they may continue, as the hon. member said, to live the life of a bum, or whether he should deny that help in order to give them the necessary stamina and vigour to go back to work and do some hard living for themselves. So far as I have been able to follow the hon. member's argument, that is the basic reason for his thinking the principle of this bill is a good one.

I suggest that this is a rather classic example of the muddled thinking that is so characteristic of members opposite when they come to this old question of dealing with social security. Who was the hon. member talking about? He was not talking about the aged; he was talking about young men. What we have before us is a bill dealing with amendments to the Old Age Security Act. In discussing the question of an income guarantee and how it should be provided, we are discussing people who are no longer in the labour force of the country. We are considering the situation of people whom we are encouraging to retire from the labour force by various measures that have been adopted by this Parliament. They are the people for whom, under the Canada Pension Plan, we provided incentives to retire from the work force. I suggest that we are not talking about transient bums as we consider this bill, but about the older people of Canada whom we no longer want to see having to work for a living.

While it was argued in this chamber many times years ago before I was here—but I have followed some of these debates—that it would be demoralizing if through some form of public enactment older people were given means on which to live, nevertheless I thought we had reached the point where generally speaking we rejected that concept. The Old Age Security Act is, up to a point, a rejection of that principle. This is a principle to which I have never subscribed so far as I can recall. I am referring to the idea that there is something morally wrong or degrading in ensuring that elderly people may live in decency and in dignity.

What does this bill do? Among other things, it freezes at \$80 the level of the old age pension. The bill is, in effect, a complete denial of what the government in its white paper says is to be the main thrust of its proposed policy, which is that of developing guaranteed income techniques. The proposal in the bill means that if one is talking in the context of a guaranteed annual income, so far as the Old Age Security Act is concerned the elderly

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citizens of this country will be denied for ever any right of access to the increased wealth produced as a result of the technology of our modern society.

The hon. member for Lanark-Renfrew-Carleton who discussed the question of the inevitability of the coming of a guaranteed annual income, presumably having in mind its general application, cannot logically say that those who are retired should have no part of it. I suggest that the bill flies in the face of the announced policy of the government. This is an aspect of the bill which is not part of an anti-poverty program but is, rather, part of a program for perpetuating poverty.

I suggest that this bill is a denial of the government's stated policy in respect of developing guaranteed income techniques in keeping with industrialization and trends toward automation in our society, because another aspect of the bill perpetuates the 2 per cent freeze on the cost of living index formula which gives no recognition, as does the present act, to the undenied fact that the cost of living has been rising by at least 4 per cent per annum ever since the 2 per cent was granted. I find it rather ironic, particularly since over this period of months we have been listening to pious exhortations about 6 per cent guidelines from people such as the chairman of the Prices and Incomes Commission, guidelines which are directed at people in the work force and which apply to their increased income. We are told we should have a 6 per cent guideline for all those who are living out their active years, but a 2 per cent guideline for those who are retired—and no guideline for the banks and finance companies.

● (3:50 p.m.)

Mr. Speaker, if this bill had suggested a maximum cost of living index formula of 6 per cent, it would have been more in keeping with the general policies the government has been announcing and the things the Prices and Incomes Commission has been talking about. So, Mr. Speaker, when we look at the bill we come back to the inevitable fact that really all that is being done, all that is left from this fancy package which the government has introduced with such fanfare, is the old, unadorned policy of tossing the crumbs from the rich man's table to help the poor and the aged.

Indeed, I would suggest in this case it is not even a matter of tossing the crumbs from the rich man's table; it is a matter of tossing crumbs from the poor man's table to the people who are even poorer, because we are talking about money to be paid out of the old age security fund. So long as the upper ceiling on tax contributions into that fund remains fixed at \$240 instead of following the normal income tax formula of escalating for higher incomes, the poor among the retired elements of our society will be supplementing the incomes of people who may be poorer.

I readily agree that the guaranteed income supplement increases will be welcomed by the people who are to receive them. Nobody can deny that. If you are poor at the level at which people have nothing to rely upon other