

The Address—Mr. MacInnis

any price, we are not going to solve our housing problem.

That is not only my assertion. Every authority on housing and every organization that has investigated the housing situation has been emphatic in stating that the only solution to the problem is an extensive program of low-rental housing. I could bring authority after authority to substantiate that statement, but I shall leave that for another occasion. Private enterprise has never provided and never will provide homes for the poorer sections of the population. The slums that have existed in every city since industrialization began are proof of that fact. That is not only the case in Canada; it is so all over the world. In no country has proper housing been provided for a large section of the working class until the government went into the housing business. No less a supporter of free enterprise than Senator Robert Taft of the United States said in the Senate of that country not so long ago:

While I am a great believer in free enterprise, housing happens to be in a field where it has failed. . . . There is no alternative to public housing to provide homes for those with low incomes . . . Under private enterprise the slum condition has continued without improvement . . . Those opposed to public housing have done their own industry a disservice by their indiscriminate and unreasoning opposition.

That is the statement of one of the high priests of private enterprise on this continent. As I said before, I shall have more to say on this subject when the amendments to the National Housing Act are before us, so I shall leave it at that for the present.

The next point I wish to make concerns old age pensions. It is a subject which I have discussed many times in this house, as many other members have. On a number of occasions I have moved resolutions concerning it, and yet it is one of the problems the election did not solve. Speaking the other day, the member for Vancouver-Quadra (Mr. Green) expressed regret that, when the amendment was made to the Old Age Pensions Act last session, the amount of outside income was not increased. I should like to point out to the house that the member for Winnipeg North Centre (Mr. Knowles) and I tried to have this point recognized at that time. I have *Hansard* for April 27 before me and it shows that after a series of interruptions by several members of the official opposition, we got the opportunity to show the minister that the ten dollar increase to old age pensioners would not be of much value if the amount of outside income was not increased at the same time. May I say that the member for Vancouver-Quadra was not one of the interrupters. I am glad to see that the validity of our contention is now admitted.

Prior to the increase an old age pensioner was permitted an outside income of \$240 before the amount of his pension was reduced. With the increased pension, the amount the pensioner receives will be reduced if he has outside income of more than \$120. As a matter of fact, it means that the old age pensioner must be indigent before any pension is received. In my opinion, this shows that we should take another step forward and eliminate the means test.

May I bring to the attention of the house another point in connection with old age pensions which I have brought before this house again and again? There should be some allowance for the wife of a pensioner when her husband receives a pension but she is not of an age to be eligible for one. If that is not done, what is happening now will continue. If there is no other income, and there can be very little, the husband and wife must exist on \$480 annually. Everyone must agree that is not an income on which a couple can live in Canada with the cost of living as high as it is today. On the first of August the cost of living index reached the all-time high of 162.8; that is, the general index. On the first of July, the food index reached 207.2. The increase in the price of food caused the increase in the general index, and I believe it is somewhat higher than that now.

I should like to impress upon the members of this house that every increase in the cost of living lowers the living standard of all low-income groups; that is, of all who are not in a position, by their own efforts, to raise their level of income. It means that, every time the cost of living goes up a point, the standard of living of our old age pensioners goes down a point. Now that the government has this huge majority, that is something for them to consider and act upon.

The high cost of living is a question that has been before this house ever since the war ended. A parliamentary committee investigated it, and so did a royal commission. The reports of these bodies have been before the house and the cost of living is still rising, even though the market is becoming over-supplied with goods. Unemployment is on the increase. This proves that those who were telling us the law of supply and demand would take care of the high cost of living have been wrong in their calculations. The law of supply and demand no longer operates, as has been demonstrated by the investigations of the combines investigation commissioner. In certain important industries prices are set arbitrarily, and every effort is made to see that all members charge the same prices. The law of supply and demand does not operate freely in our economic life.

There is one other point upon which I should like to say a word. I refer to the