

*Income Tax Exemption re Old Age Pensioners* in fact struggling. Otherwise, why do we see heavy wage demands in certain categories of skilled workers, such as carpenters, electricians, plumbers and bricklayers, in Toronto and Hamilton whose new contracts, providing they work all year, will net them \$12,000 or \$13,000 a year and even more if sufficient overtime is available?

The hon. member spoke about the guaranteed income supplement that has been in effect for some years under federal legislation. This supplement was, of course, a rehash of legislation that existed in some provinces, though not necessarily under the guise of a guaranteed income supplement. I remember in some provinces it was in the form of an old age supplement to which the federal government contributed half the cost. It was computed by the provincial government, who had the administration of it, frankly as a form of guaranteed income; there was an income test to qualify.

In my own province, the province of Alberta had an old age supplement which was then changed to a social allowance, but the purpose was the same. The criteria in relation thereto were much the same. Actually this was not a new and radical idea. In fact, it has broad application, I think, across the country today. Some provinces not in a financial position to pay the supplement are now doing so even though this is placing an additional strain on their budgets, the provincial contribution being substantial.

I think it might be called the fortunes of war that the hon. member has raised this question at this time; that is, if the word "war" can be used in any way in connection with private members' hour. The hon. member was exceedingly fortunate to draw first position in debating this motion, and on that score he is to be congratulated. He is extraordinarily lucky to bring the motion in just on the morrow of the white paper on taxation.

I am sure the hon. member would agree that, before we could properly express ourselves on the advisability or otherwise of his motion in the terms in which it is couched, we must have evidence of the repercussions of the white paper and the modifications that may be brought to it by the government, since the government itself has said that the white paper does not contain hard and fast proposals in every case. This may be one of those cases.

I suggest that the hon. member address himself to his government colleagues in order

[Mr. Lambert (Edmonton West).]

to see whether he cannot bring about some additional relief for the particular group to which he refers. But let us bear in mind that the old age security recipients are not the only ones whose fixed incomes are being eroded by inflation. A number of widows have been caught by the effect of inflation on annuities arranged by their husbands. Women in their middle years who are raising a family and trying to pay for their children's university education, as well as many other people who depend on a fixed income to live, deserve consideration too. However, I think the prime consideration is that every effort should be made to defeat inflation and then to remove some of the pressure on all those groups which are equally meritorious.

● (5:30 p.m.)

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, I am afraid I do not share the confidence in the Prime Minister (Mr. Trudeau) and the present government expressed by the hon. member for Fort William (Mr. Badanai) so far as pension matters are concerned. I am also afraid I do not share his euphoria about the other place and its Committee on Poverty. I commend the two or three members of that committee who have been anxious to get acquainted with poverty itself rather than just listen to ivory tower briefs. But that is beside the point about which we are concerned at this time. I do not wish to take over any of the functions of the Senate, although it is trying to take over one of ours. However, despite my not sharing some of the attitudes expressed by the hon. member for Fort William, I am glad he won the draw so that his motion could be at the top of the list on the order paper and be discussed today, as the hon. member for Edmonton West (Mr. Lambert) just said, on the morrow of the presentation of the tax reform white paper.

As the last speaker pointed out, the details in a motion of this kind are a bit complicated. One must look at what it does in raising the exemption levels at the lower end in respect of giving a little to some people and a whole lot to others who do not need it, and so on. But I do not think even that should be brought into the argument today, because the hon. member's contention is that something should be done right away to relieve the suffering being experienced by a great many of our retired people. I agree. I am glad he mentioned not only old age pensioners generally, although I think those on the old age pension and who have nothing else are the worst off. I