

have begun in a mini way to assist fully employed persons, the working poor, through the welfare system.

The welfare people find themselves in a very difficult situation. A man may be working and earning \$300 a month, while a man on welfare is receiving \$290 a month. But, the man on welfare is receiving medical care, dental care, drugs, and other things, which to a family of four are worth \$40 a month across the board. The working man is sitting there and considering the fact that he is out the difference of \$30 or \$40 a month by not walking over and qualifying for welfare.

What happens is that that man goes to the welfare department and says: "I cannot get by. I shall have to quit my job and go on welfare." The welfare worker says: "Take it easy. I want you to go on working at your job, while I see if I can get authority to help you out." He then has to go back to the board to obtain authority to pay that man something, and the board says: "If we open this door, where are we?"

One province has opened the door, but that province is often accused of having money to burn. It is burning some of it very acceptably. The Province of Alberta is the only province that is going out to do a bit of a job in this respect. The provinces of Ontario and Quebec can afford to do the same thing, but they are not doing anything at all. Provinces are doing such stupid things as putting a man on welfare and spending \$270 a month, instead of helping him out by giving him an extra \$50 or \$70 a month. This is being done. I am not overdrawing the picture.

If we start to supplement wages then we will engulf the working poor into the mystic web of welfare, and these people will start a journey without end. It will then be, of course, not just a blunder; it will be a monumental mistake. This committee has come on the scene just in time, and it will enable the Government and the country to reassess our position and to understand what we are getting into.

How we got where we are, I do not know. I should know, I suppose, but we have all got to put our heads together and see how we can get out of it. The working poor are producers and they have got to be kept away from the welfare system. If we are not able to accomplish that then we shall have opened up a Pandora's box. If the working poor can be kept working for minimum wages or less, and they can obtain some help from the welfare system, then the minimum wage will be meaningless. We will be back to sweatshop wages or worse, because the worker will know that he can get at some other place whatever the boss does not pay him. And the boss will also know it. That is the kind of situation we are facing. If we allow that to happen we shall have taken a long step into yesterday, yet we cannot and we must not deny these people whatever help they require.

I said earlier that about 250,000 persons could qualify for help. To give those people the incentive to stay away from that system we have to erase somehow the present invidious line between the working poor and those who are totally dependent upon public assistance. We have given the matter much thought. Each member of the

[Hon. Mr. Croll.]

committee has been thinking and talking about it. I think there is only one course open, to broaden the base for adequate basic income. Now, when I say broaden the base, there is another statement that would be interesting: 1,250,000 Canadians are drawing the guaranteed income in Canada today. We talk about it as though it was something new, something that is revolutionary. I will tell you where you can find them. There are 1,600,000 people on old age security. Half of them fill in income tax forms, negative income tax method, and in that way get their supplements. That is a guaranteed income. That is the way we wrote it. There are 1,400,000 on public assistance in this country. Four hundred and fifty thousand of those are on long-term assistance.

All I am suggesting is that we broaden the base and include some of the others, the 1,250,000 receiving an inadequate basic income, 800,000 of them under the device which collects money from the affluent and pays out money, negative income, to the poor with no means test, an income test contained in normal income tax form which the 800,000 have filled in for three years. It has not always been 800,000. The numbers have grown.

Four hundred and fifty thousand are receiving inadequate basic income through the welfare system. They are long-termers who have been receiving it for over three years.

Hon. Mr. Aseltine: Where did you get all these figures?

Hon. Mr. Croll: The department will give you the figures as to how many are on public assistance. We have accumulated the others in our committee evidence. First of all we were told in Toronto that there are at least 50,000. Senator Fournier (Madawaska-Restigouche) will advise you as to the New Brunswick figures. In any event, they come from the evidence. This money is paid, particularly to the 450,000, without counselling, planning, direction, incentives or hope and with indignity. It is coming through the welfare system just by way of a cheque.

Now, there is another half of the problem which to me seems totally inexcusable. I cannot justify it to myself and I am sure you cannot either. I refer to the disadvantaged. I have spoken to you with reference to the blind, the crippled, the aged, the female heads of families. Do you realize that we have in this country 160,000 female heads of families, with 350,000 dependent children? They are divorced, widowed, their husbands are in detention.

Hon. Mr. Choquette: Mental institutions.

Hon. Mr. Croll: Deserters.

Hon. Mr. Aseltine: Just a moment. I do not think you are telling us anything about the activities of the committee. That is what you are calling attention to:

That he will call the attention of the Senate to the activities of the Special Senate Committee on Poverty and in particular during the summer adjournment.

I cannot follow you.