

Family Allowances

Mr. Lalonde: Mr. Chairman, I am of course going to consider the view expressed by the hon. member for Joliette (Mr. La Salle) as I give serious consideration to every point he raises concerning the activities of my department and this subject will probably be brought up again for consideration during the study of the whole social policy we are presently conducting with the provinces.

As far as the mechanism that could be used to help students between 18 and 21 years of age is concerned, I am far from sure that the family allowance system is really the most appropriate one. As the hon. member knows, a good number of those students are able to work, for instance during the summer, and have sometimes quite a substantial income. Furthermore, at the academic level, there are a very large number of scholarships that of course vary according to the provinces and I think that eventually, a good number of provinces might extend their scholarship or loan system or even take steps toward free education even at the university level.

Then it seems to me that the principle of extending family allowances up to 21 years of age for a particular group should be considered in the light of all present social and educational assistance programs. I think that, in terms of priorities, the hon. member will admit that the first step was surely the one we submitted in the bill tabled in July. There are presently, as the hon. member also knows, many demands on public funds in the whole field of welfare which is really inadequate in many parts of the country.

Then, this shall be considered in terms of general priorities and demands made on available funds in the social security sector, not only at the federal but also at the provincial level.

That is, therefore, a question which I really cannot answer now but it will surely be studied in the course of my discussions with my provincial colleagues.

[*English*]

Mr. Nowlan: Mr. Chairman, may I ask the minister a question? I have not participated in this debate and do not intend to participate now to any great length. I certainly do not intend to be seduced by any provocative remarks in a political vein made by the minister. I listened to the hon. member for Assiniboia trying to bring in by the back door what he accuses the opposition of bringing in by the front door. However, I will not allude to those items in this debate.

For the purposes of the record, in case there is any suggestion of filibuster, I hope it will be noted that this debate began on Friday and continued yesterday, that Her Majesty's Loyal Opposition put up six speakers, and the NDP, in what might be described as an attempt almost to filibuster the principle of this bill, the principle of their pet proposal, put up four speakers.

Mr. Bell: And the minister talked it out last night.

Mr. Nowlan: The minister, in a most unusual display of anxiety, practically exposed himself to the attentions of a medical doctor, to judge from the line he was developing last night. However, being objective, I wish to ask the minister a question. He or his officials may not be able to

furnish the answer today. Perhaps the answer could be delivered by letter or given when we discuss another bill, because the present bill is an interim measure so to speak.

When we discussed the FISP legislation I asked a question which is related to the comments of the hon. member for Assiniboia when he spoke about redistribution of income. I want to know how income will be redistributed in this country by the granting of the \$20 later, and the \$12 at present, in family allowances. What will be the impact of any redistribution on the various regions and provinces?

In this country we have espoused regional economic policies, other economic policies and policies under which the central authority pumps money into many areas of Canada. For several reasons I want to know what will be the dollar impact of family allowances and youth allowances on the various regions and provinces. I do not think that information is in the orange book. If the minister can tell me now, I will be grateful; if not, perhaps he can tell me later.

Mr. Lalonde: Mr. Chairman, I thank the hon. member for the very generous and non-partisan remarks which he made at the beginning of his comments. I refer him to the very useful document that was tabled in the House on April 18, entitled "Working Paper on Social Security in Canada". I refer him to table 10, page 55, which sets out for every province the amounts being paid by way of family and youth allowances, and OAS and GIS.

Since the \$12 now proposed involves a simple addition to the existing legislation, if we assume that the average family allowance in Canada is worth about \$7.21, it will be very easy for the hon. member to add the percentages that appear on page 55 of the working document to this figure and arrive at the approximate figure that is to be distributed in the various regions as a result of the increase.

● (1620)

With regard to the second aspect of the problem raised by the hon. member, I beg him to wait until we consider the bill providing for an increase to \$20. In that particular case we will obviously have to take into account the average income tax rate being paid in each province and region. This will obviously vary with the level of income in regions and provinces, so that there will in effect be a greater regional redistributive effect under the taxable proposals than there would be under this particular scheme. Indeed, the lower being the average income, the higher would be the net amount left for the family.

Mr. Nowlan: I thank the minister. I appreciate that the FISP proposal certainly had much more latitude as to how that proposal would apply in dollars and cents. I will not go any further today but will wait with interest for the main bill. Either in committee of the whole, or in the standing committee if the bill is referred to the health and welfare committee, it would be very interesting if the minister would develop that aspect of the matter.

Mr. Lalonde: I will do that with great pleasure. The argument about redistribution that was made in the House by several speakers during second reading deserves further discussion and clarification. In terms of redistribu-