

*Guaranteed Minimum Income*

I just cannot imagine how such a tremendous increase in expenditures could be financed except by an over-all increase in the personal and corporate income tax, the sales tax, by taking over credits allowed to other government programs, by making loans, by depreciating our currency, through some rearrangements of the above mentioned proposals, or, finally, by putting the printing press to work making bank notes.

All these factors could put pressure on costs and prices and bring about a drop in real income. Then, it would be very difficult, if not impossible, to reach the goals mentioned in this motion.

Canada is not as rich a country as some of its citizens seem to think. Supported by a rising tide of all kinds of aspirations, since the Second World War, various groups in our society expect that the community will enable them to realize these aspirations, whatever they are, and they contend that the community has the financial capacity to do so. On the other hand, it is well known that all taxpayers object to the general level of taxes. This has been forcefully demonstrated here by the spontaneous outcry of several individuals when the white paper was submitted. The level of taxes has to be particularly taken into consideration when they are to be increased.

As far as possible, funds which are already paid into the system should be distributed to the poor in the fairest way possible. But those funds are not sufficient.

To respond in a practical and fair way to the challenge of poverty, Canada will have to find additional funds, in addition to those which already support our social security system. The resources already allotted to the system must, as far as possible, be distributed to the poor and new funds must be contributed in order to achieve this main, priority goal.

Mr. Speaker, I said "as far as possible" and this leads me to criticize a second argument of the motion which I cannot accept. It deals with the proposal that the guaranteed minimum income should replace the contributions and payments of all the systems of unemployment insurance, social welfare, family and personal allowances, including Canada Pensions and Quebec Pensions.

Before discussing the replacement of all the present income supplement systems we should again examine their purposes. It is advisable to recall the objectives of the income supplement programs. Some of them are devised so as to provide for an income

supplement intended to help out poor people under certain economic circumstances and to prevent impoverishment. Others are designed to protect all citizens against the loss of income incurred from social risks which affect all citizens and not only the poor; some of them are even so designed as to redistribute income to the disadvantaged people of our society.

Canadian social security programs have been set up to fight poverty and to bring in social insurance. As far as poverty is concerned they have been meant to ascertain a strict minimum income to those who have not or hardly the means of supporting themselves, and as far as social insurance is concerned, they are made to protect people against certain social risks.

Unemployment insurance has been established to provide all contributors and members of the labour force with a short-term unemployment income irrespective of their annual income. It fills in for the salary lost momentarily on account of unemployment, without the recipient being required to earn an income lower than the poverty-line level. One of the purposes of the Canada Pension Plan and the old age security program is to provide an income supplement to the old, the disabled and widows regardless of any income they may receive.

• (5:50 p.m.)

Workmen's compensation is designed to provide for income maintenance and health services arising from accidents suffered at work or industrial diseases. The maximum levels of support are more generous than would be the case under a system of guaranteed minimum income. Consequently, the legislation implementing a guaranteed annual income program to replace the existing programs should be carefully considered in order to determine its effect on the social and economic goals achieved by several of the existing programs.

It is necessary to take into account the technical and the political aspects of the results ensuing from the substitution of the guaranteed annual income for the existing programs. For some programs, the substitution would be relatively simple; for others it would be extremely complicated, not to mention the political problems it would create.

From the technical standpoint, it would be relatively easy to replace the family allowance plan but, from the political standpoint, it might give rise to strong objections on the

[Mr. Noël.]