

solve anything. You need money to help the old and you must devote certain resources of the country to this end.

In many ways we are short-changing the aged in our society. We debate the form that the assistance should take. They do not care what you call it. They do not care whether you call it a demogrant or a guaranteed annual income. The name does not matter. What counts is the amount of money they get with which to buy medicine and with which to obtain the relaxation to which they are entitled after a lifetime of devotion to their country and paying taxes.

We could do a great deal more through family allowances. It has been my experience that people in this country are poor for one of a number of reasons. One major reason is children. Often people are poor when they have more children than they can support. Others are poor as a result of old age or illness. Surely we can take care of these problems through family allowances and larger old age pensions. We could take care of the problem of children by increasing taxes for some and by recognizing how much it costs to raise children.

In our market system we do not take into account a man's needs. The market system says, "We do not care about your responsibilities. We do not care how many children you have. This job is worth so much, and that is what you will get." The single man without any responsibilities except his girl friend, and the married man with a wife, children and other responsibilities, are paid the same salary for doing the same job.

The family allowance is a transfer of money and recognizes the failure of the market system to take into account the needs of people. The socialist, of course, believes in this sort of thing. He does not talk about paying people more than they are worth. He believes that when people need things and are entitled to those things, they should obtain them as a matter of right because they are human beings and members of society. But that is not what the market system says. We need a way of compensating for the absolute inhumanity of our market system which says that no matter what your needs are, the job pays so much and that is all you will get.

We can do a great deal simply by improving our approach to family allowances. We should do a great deal more for those who are obviously ill and who cannot work. We could do something for them simply by giving them a disability pension and by recognizing that they are not in the labour market. If they cannot work, we should pay them a disability pension of decent dimensions. To some extent we have done this sort of thing with our veterans allowances. I agree that the war veterans allowance is not the most perfect instrument in the world, but at least in giving veterans this allowance our approach to them has been far more worth while than has been our approach to society in general.

I think the time has come for us to treat members of society generally in the way that we have treated veterans under the veterans allowance approach. Veterans are paid an allowance when it is recognized that they are not capable of doing certain work. Sometimes they are par-

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tially disabled and we pay them a pension for life. We should let these people go into the labour market and earn more money, if they want to, without taking away their pension in the form of graduated income tax.

There are many advantages to the demogrant system. Under it we can make social value decisions and judgments about all kinds of things which we think are important. We can decide the kind of transfers that ought to take place as between one group and another in order to bring about a society with greater justice than at present. The system has great flexibility. Transfer payments that are made should be made on a universal basis and without the means test.

If the old age pension is paid to a millionaire, we can take back the amount paid by way of income tax. It seems to me that the approach we have adopted to the old age pension is good. The old age pension scheme is probably one of the best schemes ever devised in this country. The remarkable change that has taken place among the older people of Canada is attributable to the old age pension. I think it is the kind of program which ought to be continued. We ought to concentrate on making similar payments under a demogrant system.

I do not believe there should be any payment to those who are capable of working or being in the labour force. I think that such payment would be a total disaster for our society. I want to give Your Honour two reasons for saying that. I am very suspicious of governments which hand out welfare and try to cover up welfare with economic policies that are mad. The economic policies of this country have gone mad. There is no substitute for full employment. That is where our emphasis should be. There should be jobs for those who are capable of working. We should not back off that goal one iota. There should be a program of income supplement for those who are not in the labour force for one reason or another. For those who are capable of working, there should be full employment, training and mobility programs. Unemployment insurance should be available to take care of short-term unemployment or transfers between jobs.

● (5:40 p.m.)

The guaranteed annual income has become a motherhood thing in this society. I became suspicious of it when I discovered that the extreme left and the extreme right agreed on this program. I asked myself if it were possible for the left and the right to agree on the program. Was this program so desirable that it warranted such universal approval?

An hon. Member: Strange bedfellows!

Mr. Saltsman: Strange bedfellows is right. I think it was the extreme right, not the left, that was right. I suspect that the argument for the guaranteed annual income consists of simply shrugging your shoulders and saying we will always have some poor and some misfits. The argument is not to worry about changing or retraining them. The basis of much of our charity is to simply pay them off. As in any kind of production, they argue