

*Family Income Security Plan*

how quickly it came about when that means test was taken off, the pension was raised a bit and people could say with pride that they were old age pensioners because everybody was receiving it. There was also the incentive to save something, and the lot of the older people materially improved, not only the economic lot but the attitude toward life.

I can go back in my memory to the golden weddings in the 1930s. There were not many of them and they were not very happy affairs, but in more recent years they have been and I think it is partly because of this attitude that once a certain age is reached everybody should be in the same boat. I think that is equally true about family allowances, and the fact that they have been universal, that the rich and the poor families received them alike, did something for the unity of this country.

Now, Sir, we are being told that that is an election issue. The Secretary of State for External Affairs (Mr. Sharp) was quoted a few days ago when he was Acting Prime Minister as saying that the real issue in the next election will be Canadian unity. I will not quarrel with that any more than I would quarrel with motherhood, but I say to the Minister of National Health and Welfare that this is not the way to do it. You do not bring the country together, you do not establish unity by dividing the country into the haves and the have-nots, by giving certain social moneys to people because they are poor rather than because they are people and dividing the country in this way.

We will go from bad to worse if we follow this course. We think it was a gross error when the Old Age Security Act was violated, as it was by this government, and part of it was put on a means test, a needs test or an income test basis, and we think that doing that to family allowances will have the same effect. I also think that the tendency will be for the children of families that are on family allowance because of their poverty to be another generation who will also get the family allowance because of their poverty. You perpetuate the very thing which we are trying to abolish.

What really annoys me about this minister, because I think he has enough sense to understand it, is this whole situation of the country being divided and of the divisions being perpetuated. It is the poverty that is here and that stays with certain classes of society that we should be attacking, and this bill, far from attacking this kind of division, this kind of poverty that is perpetuated from one year to another and from one generation to another, will actually increase it. So I still say to the minister, despite the confrontation we are having, despite the vote that may come on our amendments or on the main motion, despite the political challenge which he throws out and which is accepted—if he wants us to debate the issue on the hustings, we are prepared to do so—that he should take this bill back to the people in his department and back to the cabinet.

I wish it had been possible for us to get the original version of the Willard report. I do not know how many versions there were, but we did not see any of them. I hope that some day the records of this government will be open and students of history will be able to go into them and find out how it came about that under the present

Prime Minister it was possible to reverse all these trends that we had finally sold to the Liberals across the years.

I believe that if we could really get to the sensible people in the government service—and the Minister of National Health and Welfare has many of them in his department; I am talking about public servants—they would agree that our job is to unite society, not divide it, and the way to do it is not by this kind of bill but by a bill that retains the principle that was in the Family Allowances Act of 1944 and in the Old Age Security Act until the Pearson and then the Trudeau government altered it a few years ago.

Mr. Speaker, I see you getting to your feet. Perhaps I can have a minute or two yet. I am sure the minister will give me five minutes for the ten we gave him.

**Mr. Deputy Speaker:** Order, please. The hon. member's time has expired. Is there unanimous consent that the hon. member be permitted to continue?

**Some hon. Members:** Agreed.

**Mr. Knowles (Winnipeg North Centre):** I thank hon. members and I shall not abuse the courtesy of the House.

We have been arguing that what should be produced is a piece of legislation similar to the one we had in 1944. The minister has put to us the challenge with reference to collecting money from taxes and whether we should follow the principles suggested by the Canadian Council on Social Development. I say to him, yes. There might be some details on which we would differ, but generally the idea of universality and an arrangement whereby in the case of those in the upper bracket the money is taken back in taxation, even to the point of 100 per cent, is infinitely better than this kind of arrangement.

When we drafted our amendment which the hon. member for York South placed before the House, we felt that it was a detail which we need not put into the amendment any more than we need put into it the amounts of the allowance. But we do feel we should get back to the principle of giving family allowance benefits to all families and making up for any excess that gets into the hands of the wealthy by a proper income tax structure. The minister says that we are not prepared to propose that kind of income tax structure. We certainly are, and he knows it. It is his colleagues, the Minister of National Defence and the Minister of Finance (Mr. Turner), who are unwilling to propose the kind of taxation that would get this money back.

The minister said something about the wife getting the allowance and spending it, and then her husband having to pay it back in taxation. That will be up to them, and as a matter of fact I think there would be people who would not apply for the family allowance for that reason, but it would be available to them. You will find that there are many mothers in this country, even in the \$7,000, \$8,000, \$9,000 and \$10,000 brackets, who would feel that the rights they have enjoyed since 1944 should be continued, the right to receive that cheque even if the old man has to turn around and pay it back in income tax. I think also that the amounts should be even higher than the \$15 and \$20 levels proposed in Bill C-170.