

First, the social security system must assure to people who cannot work, the aged, the blind and the disabled, a compassionate and equitable guaranteed annual income.

Second, the social security system as it applies to people who can work must contain incentives to work and a greater emphasis on the need to get people who are on social aid back to work.

Third, a fair and just relationship must be maintained between the incomes of people who are working at or near the minimum wage, the guaranteed incomes assured to people who cannot work, and the allowances paid to those who can work but are unemployed.

Fourth, it must be recognized that Provinces may wish to have the structures of social security vary in accordance with the social needs, income standards and the cost of living in different communities.

Finally, it must be accepted that the reconsideration of Canada's social security system must be conducted jointly by the Federal Government and the Provinces. A better social security system can only be realized if a reasonable consensus can be reached between the Governments of Canada and the Provinces. To this end, the Government will invite provincial representatives to a conference of welfare ministers in April.

Certain immediate steps will be taken by the Government, consistent with the principles proposed above. In respect of people who can work but are temporarily unemployed, legislation will be introduced to clarify certain aspects of the Unemployment Insurance Plan and to prevent abuses that have not been overcome by the administrative action already taken.

A fair and equitable regime of family allowances is fundamental to an efficient social security system. A new family income security program will be proposed that will particularly take into account the needs of the lower income families. Legislation will be introduced to improve the economic situation of old age pensioners.

Subject to the appropriate agreement being reached with the Provinces, changes to improve the Canada Pension Plan will be introduced to provide higher pensions for widows, widows with dependent children and the disabled and to make other needed amendments.

In another area of social policy, the field of housing and urban development, the Government proposes the following action, in co-operation with the Provinces:

- assistance in the provision of low-cost housing and other accommodation for senior citizens
- home-ownership assistance to low and moderate income families
- new incentives for housing provided by co-operatives and non-profit corporations
- assistance in the rehabilitation of older neighbourhoods
- a land assembly program to assist in the creation of new communities and to check urban sprawl
- encouragement to investors to make more money available to meet housing needs

—a warranty system to protect the purchasers of new houses

—assistance in the relocation of railway tracks and other facilities

—study of the Government's responsibilities with regard to urban transportation generally.

In response to the increasing importance of fitness for the well-being and health of Canadians and the need for greater opportunities for people to participate in sports activities, it is proposed over the next three fiscal years to more than double the current level of expenditures under the Fitness and Amateur Sport Program. Plans for a greatly expanded and a strengthened program will be announced.

Inflation is a world-wide problem. The Government is determined to contain inflation in Canada to protect the purchasing power of the Canadian dollar in the hands of the Canadian people and to protect Canada's position in world trade. While food prices in Canada have steadied slightly in the last month or so, the Government is concerned about possible future effects of the world-wide trend toward higher food prices and will propose the setting up of a Joint Committee of the Senate and the House of Commons to make a special study of this problem.

Efficient communications between all parts of the country are essential to the unity and prosperity of Canada. Technological developments can have a pervasive effect on the social and economic well-being of all Canadians. The Government will, in the near future, submit to Parliament proposals for a national communications policy, and for resolving problems arising from the growing interaction between broadcasting and other forms of telecommunication, giving due weight to the interests and concerns of the Provinces.

The Government will introduce legislation establishing a competition policy to preserve and strengthen the market system upon which our economy is based. The new policy will be in harmony with industrial policies in general and foreign investment policy in particular.

World-wide demand for our agricultural products is strong, in particular for our wheat and other grains. The Government will concentrate its attention upon transportation, storage and handling problems to ensure efficient and timely movement and delivery of grain and other agricultural products.

You will be asked to amend the Crop Insurance Act to allow the Government to reimburse the Provinces to a maximum of fifty percent of premiums paid under contracts of insurance, thereby reducing costs of insurance to individual farmers.

The Government supports the principle of an equitable relationship of prices of feed grain to livestock feeders in various areas of Canada. It is the intention of the Government to implement before the next crop year, procedures that will ensure the optimum development of the feed grain and livestock industries within Canada.