

are out working for a living. This recommendation has already been implemented.

Proposition six talks about income supplementation. Both levels of government are pursuing this actively now to decide on levels of income supplementation, and ways and means to implement it, so that people who are working for a living can find it possible economically to do so, without the kind of disincentives that exist at the present time. Those disincentives that exist now are a consequence of the relationship between what one can secure on welfare in Canada and what one can earn on minimum wages in this country.

When this working paper was brought forward, if my memory serves me correctly, I think in every province in Canada one could get more on social assistance than one could in fact by working for a living at minimum wages, or near minimum wages. In addition to that, the recovery rates were 100 per cent in most cases, which meant that if a person was drawing welfare payments on the provincial level and went out and got a part-time job to supplement that income, the government on the provincial level would recover 100 per cent of the money that that person earned. That certainly did not provide an incentive for people to get out and try to help themselves. It left them locked into the welfare cycle. That kind of problem has got to be resolved and it is dealt with quite substantively in the working paper on social security.

In addition to that, proposition 7 refers to the need for a guaranteed income for those who are unable to work, or should not be expected to work.

The hon. member for Hillsborough (Mr. Macquarrie) talked about this as if it were some kind of a new idea. The fact of the matter is that it is proposed in our working paper on social security. It is a proposal that will, in due course, be implemented when the bugs are ironed out and arrangements are worked out in co-operation with the provinces themselves. This is not an exclusively federal jurisdiction, and therefore cannot be solved totally by the federal government.

Now, in addition to this, Mr. Speaker, I did refer to old age security and the guaranteed supplement earlier. That was referred to in proposition 8 of the over-all review. That proposition has largely been implemented, as well, through escalation and through incremental increases. I think that has been very important in offsetting the affects of inflation on those who were formerly on fixed incomes.

It is important to point out that, with the change in a large majority of federal programs to assist people in this country by escalating them to suit the real increase in the cost of living, such people are no longer on fixed incomes. Their incomes are increased automatically as the cost of living increases as well.

Proposition 9 refers to the need for a review of the Canada Assistance Plan, and for some adjustments in that regard. I can point out that the minister, only a few days ago, indicated that we would be broadening—and in fact have broadened—the terms under the Canada Assistance Plan to deal with day care centres, to allow those on lower incomes to be subsidized in terms of finding some institution to look after their children while they are out work-

### *Guaranteed Income*

ing. That is one of the over-all questions that is dealt with in the social policy review.

In addition to this, proposition 10 talks about the need for additional social services that are required in Canada. Here we are really referring to such things as training programs, counselling, rehabilitation, homemaker service and so on, to make sure that those who presently are unable to find employment are brought back into the mainstream of employables in this country by meaningful programs, so that they will be better able to find employment which would be beneficial to themselves and to Canada in terms of social security costs.

Proposition 11 talks about the need for institutional services such as day care centres, which I alluded to earlier, nursing homes and so on. That kind of question is very important to the over-all review of social security.

Proposition 12 refers to the need for a flexible approach between one province and another, which shows that the federal government recognizes that this is a pretty broad country, stretching from the Atlantic to the Pacific. What is advisable in one province, in this country, need not necessarily be advisable in another. Therefore, proposition 12 recognizes the need to allow the provinces a degree of flexibility in establishing income levels, whether it be in terms of supplementary income for the working poor, or any other social programs that may be brought forward.

Proposition 13, however, puts a caveat on that, in that it is necessary for the federal government to guarantee that the parliament of Canada is really served in the way in which it wants to be served and, therefore, it is our obligation to bring forward certain universal minimums, beyond which they will not go, in terms of the flexibility provisions.

Proposition 14 is a realistic recognition that such an over-all review, which has never before been undertaken in Canada, cannot be done in one moment or even in one year. In fact, proposition 14 proposes that this over-all review should be ironed out with the provinces, with a target date of between two or three years. I think, Mr. Speaker, that this is a realistic recognition of the magnitude of the task that we have embarked upon in the social policy review.

**Mr. Peters:** That program is so out of date that even Ontario would not accept it.

**Mr. Cafik:** It is odd the hon. member says that it is out of date, when in fact the previous speaker, from his own party, was recommending that we implement a number of the proposals that I have just spoken about in relation to our social policy review. So I would suggest to the hon. member that he should look at the proposals very, very carefully and realize that it involves a decision that ultimately has to be taken by both levels of government.

● (1640)

The federal government, through the Minister of National Health and Welfare, is certainly committed to the principle that I think all of us would share, that we must provide levels of social assistance in Canada which will meet the basic criteria of all Canadians; that people who want to save and provide for themselves will be enabled