lies receive nothing from social assistance offices while others obtain benefits which they do not need. What do we, of the Social Credit party, suggest?

An hon. Member: Nothing!

Mr. Caouette: Do not misconstrue my words. First of all Canada's entire social legislation should be revamped into one single whole. We should not find an unemployment insurance office here and a labour employment office there; a social welfare assistance office here and an auxiliary office there, and so on. No. The structure of social security must be altered to the extent that we will not even mention social welfare anymore. Social security should be extablished and it would give people the incentive to work and develop what can be developed in our country.

What do we suggest then? The payment of an income to everyone aged 18 or over. By replacing current programs all Canadians would enjoy the following benefits: social security—not social assistance—which will give all citizens a greater purchasing power and would spur the economy. A bachelor aged 18 or more should get a yearly guaranteed income of $1,500 or $125 per month. If he works, he should not be penalized by being denied his $1,500 payment. This is the poverty threshold in Canada. This would be a minimum that would enable everybody to live. A married couple would receive a yearly $2,500 which is about the equivalent of the pension presently paid to our senior citizens. A married couple with one child would get a yearly $2,550; with two children $3,000; with three children $3,250; with four children $3,500; with five children $3,750; and with six children he would get a maximum of $4,000. Everyone should be assured of that and if an unemployed worker should find a job his guaranteed income should not be discontinued; he should keep it.

At the present, if you claim welfare allowances and you get caught you must pay back the money you received or you will be denied any further allowances. What would you do? Stay at home and refuse to work. In fact, there are many cases of abuse.

Recently, I met a worker on compensation who was receiving $86.54 a week from the province of Quebec. This worker had two children and a fairly high rent to pay. So the compensation payment of $86.54 a week was insufficient. He goes to the welfare office and the manager tells him: You are not entitled to allowances because your income of $86.54 a week is sufficient. He makes him sign a form whereby the worker promises to pay back any amount of welfare he may get while waiting for his compensation. So the worker signs the form and on his way out gives it a second thought, tears up the form, goes back inside and says: I refuse to accept that commitment, I will work it out in some other way.

• (9:30 p.m.)

I know a young man of 29 who one day told his wife: Listen, go to the welfare office, tell them that I left you, that I will stay with my father, and then apply for a welfare allowance! The wife went to the welfare service and the official granted her $220 a month because, on the advice of her husband, she had said that, with her children, she had been deserted. Such a case is becoming typical in Canada.

What I am now suggesting would cost less to the government than all those dishonest schemes people are using to get something out of the welfare system. People are said to be dishonest whereas the legislation itself calls for dishonesty. The law is unfair: it penalizes one citizen in order to help another!

We are suggesting a guaranteed income plan, no matter if the citizen works or not, has money or not. The millionaire would get a yearly guaranteed income as well as the unemployed. If, instead of discouraging work we were to tell the married man with three children, receiving a yearly guaranteed income of $3,250: if you have a job and earn money, you will not lose your $3,250, I am sure that about 80 per cent of the unemployment problem would be solved, because the citizens would be interested in getting a job, knowing there would be at least something to depend upon.

Instead of hiring officials in unemployment insurance or welfare offices, in manpower centres or economists' offices, we would establish our economy on sound bases. That may seem bold, because we are not used to such thinking. But the Prime Minister should realize that the program which was just announced again amounts to nothing more than a bandaid treatment. That will not solve the problem of unemployment in Canada. That is so true that even when the Prime Minister, as I mentioned when beginning my remarks, says we are beginning to feel the effects of the 10 p. 100 American surcharge, at the very same time Statistics Canada register a definite increase in our exports to the United States. Therefore, the tax has not hindered Canadian exports to the United States at all.

As a contribution to the economic development of Canada, we should add on a discount on products manufactured in Canada so that our population may be in a position to sell its goods to Canadian consumers. Instead of granting discounts to Japan, Germany, China or Russia, let us grant them to Canadian consumers on goods produced in Canada in order to help our industries, our manufacturers, our farmers and thus contribute to creation of new industries in our country.

If this proposal were seriously studied, I would undertake to look into the cost for Canada of setting up such a system that would guarantee social security for all, that would not penalize a man for working, or another who can find work for two or three days a week, or else the working mother who goes outside her home to earn a few cents to boost the family's annual income.

Mr. Speaker, the suggestion should be examined by the caucus of every political party in the House and by our economic brains. Let them study it and then tell us if it is nonsense. As I said earlier, I am personally convinced that the program would be cheaper than any of the existing ones. Then, the Minister of Finance or anyone who succeeds him, will be able to conclude his speech with those words: "Mr. Speaker, the economy is strong and moving ahead. The measures I propose today are conceived to keep it in that direction".

If the Finance Minister wants to be logical, if he does not want to play political games or throw dust in the eyes of voters in the event of an early election, he should consider the proposal I just made: a discount on Canadian