

We had presented to us the view, and I think it has merit, that the basic needs of a family in Campbellton, New Brunswick, should be the same as those of a family of the same size living in Toronto or Vancouver; and that should no longer be a dream but a reality. There is not the slightest reason for continuing to justify the geographic inequities in the present system. There are provinces in Canada that say: "We will pay so much—period! It does not make any difference how many children you have in the family. Whistle for the rest from your municipality." I am not laying the blame on the provinces. The fault lies with the federal Government, and I will indicate why.

As we travelled throughout the country the only real difference in the cost of living, as we saw it in the cities, was that of rent. That could have some effect but, really, if we were a little more generous to some of the outlying districts the rest of us would not be greater hurt.

I said earlier that I thought we ought to be able to scrap the system completely. We could actually repeal every one of our social measures, with the exception of the Canada Assistance Act, the Canada Pension Plan and the Unemployment Insurance Plan, and meet every requirement under the basic definition of "need" in the Canada Assistance Act, modifying it to some slight extent. So, it would all fit under an umbrella rather than as now under a tent with 200 or so measures.

Hon. Mr. Connolly (Ottawa West): Would the honourable senator repeat that statement? It seems to be an important one. I did not quite catch it.

Hon. Mr. Croll: What I said was that the Canada Assistance Act provides for need, for basic need. It defines it. With a slight modification in the definition of need in the Canada Assistance Act we could repeal the welfare measures because they are basically for need, with the exception of the Canada Pension Plan and the Unemployment Insurance Plan. They are contractual obligations, if you appreciate the difference.

That is a change, and when one talks about "change", the remarks of the Prime Minister in the Throne Speech debate come to mind, when he said:

The challenge today is not simply change—it is more the pace and the scale of the change. We must adapt now as never before. I believe strongly that no country is better able to do so than is Canada, for no country is more fortunate in its basic attributes.

What is the alternative? Well, I will start by saying what the alternative is, and then I will explain it in a few minutes.

The alternative is adequate basic income, a national minimum level of income. What do the 4½ million working poor need? The vice-chairman will have something to say about that when he speaks. They need employment. When they cannot get it, the alternative is income. They need services and incentives to continue to work. What is more, the provision of income should come from the federal Government, and the provision of ser-

vices from the provincial Government. We have a vehicle for delivery of services in the Canada Assistance Act. Income and services must be completely and totally separated.

I have a few more statements here that are worth thinking about. They have come out of presentation from the committee. I said that the working poor number about two million Canadians. All honourable senators will agree that the head of a family who is working full time but earning minimum wages, or poverty-level wages, needs help. He has earned the right to some help. He is a producer, yet we have so structured our welfare system that it provides help for those who do not work, and denies help to equally needy working people.

I can see that that is sinking in. I can see that honourable senators appreciate the implication. There are thousands of people who see their neighbours drawing more for not working than they receive for working. That is a colossal injustice. We know that what we are doing is wrong, and yet we keep on doing it.

We have at the present time 250,000 heads of families who could qualify for welfare but who choose not to do so. The majority of them could not only qualify for welfare but they would be better off on welfare. For how long do you think that is going to continue? Welfare allowances have grown relative to the minimum wage to the point where for a family of average size the welfare system is directly in conflict with the economic system, in that the individual could rationally choose the welfare system.

Some qualified and excellent welfare workers from Winnipeg appeared before the committee the other day. I should like to read to the house part of the record of what was said on that occasion. The witness was Mr. Clark Brownlee, Chairman of the Social Action Committee of the Manitoba Association of Social Workers, and he was talking about the welfare system and the working poor. He said:

If that system can give him the supplement to his income or a guarantee of an income, or whatever it takes to bring him up to a level, I do not see it is necessarily a bad thing.

Senator Hastings then said:

What you are doing is giving that man a guaranteed annual income through the welfare system with all the stigma that goes with it... Isn't that what we are doing?

And Mr. Brownlee answered:

In the present system, yes, but I would rather do that than see them starve. We are not omnipotent. We cannot change it under the present system.

And then the chairman of the committee put in his two cents' worth and said:

We are thinking of how it can be done.

We are now, of course, on the verge of committing yet a greater blunder, something that I think will blight our future. I ask honourable senators to think about it. We