

Mr. Knowles (Winnipeg North Centre): Job creating, my eye! They have all the clichés. When it comes to a measure that to a very small extent does actually redistribute income, they do not appreciate it. They are going to vote for it—grudgingly. We are not voting for it grudgingly; we are voting for it with both hands because we like the idea of seeking to redistribute the incomes of the people of this country.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): My friend and colleague, the hon. member for Oshawa-Whitby (Mr. Broadbent), when he spoke on September 11 on Bill C-223—which was the bill to provide a family allowance payment of \$12 a month for October, November and December—went into this question rather fully. I do not intend to repeat all the statistics that he gave, but I am going to give some of them. I think one set of statistics that my colleague used on that day is very telling. The latest figures show that the income the people of Canada have for disposable purposes breaks down this way: the bottom 20 per cent of the population has 7 per cent of the income, the next 20 per cent has 13 per cent of the income, the next 20 per cent has 18 per cent of the income, and the fourth 20 per cent has 23 per cent of the income. However, the top 20 per cent has 39 per cent of the income.

● (2050)

I agree with my hon. friend for Hillsborough that it is a scandal that there are 4½ million people in Canada living under conditions of poverty, according to all estimates which have been made about poverty in this country. That is a particularly serious scandal when one realizes that those 4½ million people include 1.7 million children. That is one of the reasons legislation of this kind is so good. It tries to do something for children.

Those statistics, which encompass millions of people, I think are highlighted by the percentages I have repeated, which were given to us on September 11 by the hon. member for Oshawa-Whitby. These percentages highlight the fact that, whereas 20 per cent of the people at the top get 39 per cent of the national income, the 20 per cent at the bottom get only 7 per cent. Actually, the 60 per cent at the bottom end of the scale get only 38 per cent of our total income, whereas the 20 per cent at the top get more than the bottom 60 per cent; they get 39 per cent of the income of this country. Do not tell me that there is no need to effect the redistribution of income in this country. Do not tell me that it is good enough if we keep chasing some of the other ministers who are responsible for other economic matters. We must take further steps along the lines we are taking today, and that we have taken in the course of this session, to achieve greater equality of income among the people of this country.

I know that some of my friends to my right who like to attack us as being a social security party and as being concerned about these things usually like to throw in the question, "Where is the money to come from?" The basic problem is the problem of how we are to distribute the wealth we are able to produce. No doubt my friend from Témiscamingue (Mr. Caouette), if he turns up tonight to make a speech, will probably indulge in his usual bit of

Family Allowances

humour about our wanting to make the poor richer and the rich poorer, and that we will all end up the poorer.

The fact of the matter is that as conditions develop in the world, and as shortages and problems arise from the fact that the resources of this planet are not limitless, we will need to take a more comprehensive approach toward establishing equality. This bill does not do it—good heavens, no! The minor redistribution that it will effect really will not touch the problem. But it goes in the right direction, and I commend the minister for being the member of a minority government so that he has been able to bring it in. I am sorry that the hon. member for Hillsborough only sees this measure as so much welfare.

We are dealing, as I say, with one of the most important economic problems that faces us, that of the redistribution of income. I am glad that in less than 12 months since the election of October 30, 1972, we have achieved a fair amount in terms of the old age pension, family allowances, veterans pensions and allowances, the pensions of retired public servants, retired members of the armed forces, retired members of the RCMP, and of various other groups. There is no doubt in my mind that had the election gone the other way, returning a majority of the government party, we would not have achieved these things. We welcome them. We commend the minister. We say to him, "Do not be so impressed by the statement of the hon. member for Hillsborough that you run out of things to do." There is still a great deal to do in this whole area as, indeed, he spelled out in the orange paper which he tabled in the House on April 18.

That orange paper of April 18 laid down a number of high-sounding principles with which I agree, although I felt there was a lot of sound in some of those statements. In particular, the paper made reference to the guaranteed income. I call on the Minister of National Health and Welfare to get over the notion that that is something which will take four or five years to bring into effect. I agree with him that that measure, together with the various other things he is bringing forward, is part of a total package. But I urge him to put some fire under his cabinet colleagues and to work day and night on this matter. I say that because we really will not have achieved the kind of thing toward which he is working in old age security and family allowances until we have a guaranteed annual income for all our people.

I suppose, Mr. Speaker, that I have spent more time than I usually do when speaking on government measures, in pointing out those things that are good. However, you would not expect me not to find something wrong with this piece of legislation. The first point I want to make—and in speaking on this area that needs correction I agree with the hon. member for Hillsborough—has to do with the provision for increases in family allowances in relation to increases in the cost of living.

It is not many years ago that we did not have the escalation of any pensions. We finally got started in this area with the Canada Pension Plan. We began with a 2 per cent escalation for that plan and we finally amended the provisions of various other plans. Now we have established, with respect to many plans, that the escalation of pensions must match the actual percentage increase in the cost of living. However, we still have not done this for the