

Family Income Security Plan

should be set up. He did so last night and he did so again this morning. The arrangement differed slightly but in essence the list was the same. This morning he mentioned three things: (1) social insurance and universal payments; (2) income support; (3) social assistance. Last night it read: (1) social insurance; (2) demogrants; (3) service. He sets out these schematic areas, and because his proposal fits into them he thinks that makes it perfect. But I say to him that this scheme under three headings is altogether arbitrary. The whole business should be looked at in the context of where society is going.

Society is moving away from the work ethic. Society is going in the direction of a guaranteed livelihood for our people. I am not thinking, now, about a guaranteed annual income in terms of negative income tax, and so on. The minister knows enough to understand that I am not being inconsistent with my ideas on universality, because I have a different definition of a guaranteed income. But today society is going in the direction I have indicated and it is a good thing that we in Canada already have some programs which correspond with this development.

Already there is any amount of evidence that the government is not opposed to the giving of large amounts of money to people for doing nothing or next to nothing. Right now, under such programs as Opportunities for Youth, LIP, DREE, and so on, all kinds of money is being thrown around. Then there are the training allowances and all the rest of it. I am not criticizing these things. I believe some of these things have to be done and they are probably a foretaste of the future. We may reach a point at which, as I read in a paper the other day, welfare is not just a peripheral concern of government but the main business of government.

• (1520)

I think we will come to the day when we shall have universal grants and allowances, when people will have the right to live at a decent standard of living whether or not they have a job. So long as you take the other approach and give government money to people because they are poor, because they are have-nots rather than haves, then you keep them in that category.

I think it is good that old age security was universally applied. It is also excellent that family allowances have been universally paid to all families in the community. But once you get to the point where certain families draw family allowance and other families do not, if that continues it means the children of those families will be recipients of family allowances and they will be the next generation's have-nots. You will perpetuate the division of this country into those who have and those who have not. That is what this kind of program does and it is why I am concerned about it.

As I say, this concerns me even more than the mail that I know we will get from people who are denied family allowances because they do not have a sufficient number of children or because they are just over the income level set by the minister. Therefore, I think the government should have paid more attention to the proposals of the Canadian Council on Social Development; the government should have continued the principle of universality.

[Mr. Knowles (Winnipeg North Centre).]

I agree that under that kind of scheme family allowance payments should be subject to taxation, perhaps through a special scheme of taxation so that those in the higher income brackets actually pay it all back. Indeed, they might be put in the position where it is not to their advantage even to apply for family allowance; but at least the matter should be left so they can apply. There may be cases where they would want to, cases where the husband would say to his wife, "Let us apply for the family allowance so that you will get the money, and then I will pay it back in income tax."

Mr. Munro: If you put it through the tax system they automatically get it.

Mr. Knowles (Winnipeg North Centre): I say that relating it to the tax system is a good thing to do. At this time in our history there is a considerable trend in favour of equal rights for men and women. There was an interesting question on that point this morning put by the hon. member for Vancouver-Kingsway (Mrs. MacInnis). For the past 27 years this is something the mothers of Canada have had: a cheque has been coming into the house in the name of the mother. It was hers. For the million or more families in the category to which the minister refers, these cheques will now cease. Even if it were the case that the mother received the payment and the wage earner had to pay it back in income tax, I think in principle it would be better to keep it that way.

I know what we are up against here, that is, that there is a certain popular notion that it is a good idea to make this money available to the public. If we did give an adequate amount of money to the poor, then that might be a matter to look at. But we do not. We are up against a system in this country where the government makes a decision and that is it; we are stuck with it, the white paper technique notwithstanding.

I am as convinced as I am of standing here that Canada was right when it started to move in the direction of universality with respect to old ages security and family allowances. That is a principle that we should be extending. The government is going the wrong way in trying to reverse this trend by imposing these tests, whether you call them needs or income tests. This approach does precisely what the National Council of Welfare said it does; it makes the not so poor pay for the poor. It also does what the Canadian Council on Social Development said it does; it divides the people in our land into haves and have-nots. That division is with us already and it should be the task of government to lessen the division, not widen it.

Yes, Mr. Speaker, the clock seems to move just as fast when one has 40 minutes to speak as when one has 20, as was the case yesterday, but there are one or two other matters I should like to mention. I am terribly concerned about the situation between Ottawa and the provinces on this question. In thinking about this matter this morning I resolved that I would not say anything about the matter unless the minister did. He did not, yet here am I deciding that something should be said about it. The correspondence tabled some days ago by the Prime Minister which has passed between him and the Prime Minister of Quebec indicates that negotiations are going on between Ottawa and that province in regard to some kind of