

as was promised. They say that it should have made it a reality a long time ago and failed to do it by refusing to increase the basic income tax exemption for individuals, by refusing to repeal the 11 per cent tax on building materials and by failing to institute a guaranteed annual income scheme and, one could add, by being the source of all evils in Canada since confederation.

It seems also that some members of the opposition have found the philosopher's stone and that if they held power, they could solve all the problems that exist in Canada.

Someone also accused us of saying that certain political parties were in a bad shape. But from what we heard today, I believe that if they are not in a bad shape, at least they show symptoms of a severe and imminent disease.

We were also told that the founder of Social Credit was an engineer and an economist. I could say: Watch out, he has not built the Eiffel tower but rather a house of cards which could last a long time provided no one blows on it since it could crumble in a flash.

The Minister of National Health and Welfare (Mr. Munro) in his white paper on income security has dealt extensively with the current system of income security. He has outlined the objectives of income security and the role played by the federal government with its social security measures. The minister has described quite frankly the present system and its shortcomings. The white paper, which analyzes the present income system, deals with this problem with a view to achieving higher efficiency, to pay allowances at a given level of income so as to meet the individual needs of people with little or no income.

It is suggested in the white paper that the guaranteed income system is much more efficient than that of demogrant or social insurance but much less than social assistance. However, from the point of view of recipient acceptability, the concept of guaranteed income is more welcome than social assistance while, however, much less acceptable than demogrant or social insurance.

• (3:40 p.m.)

In the case of social insurance, the recipient receives benefits based on his previous contributions to the plan. His participation gives a special character to this form of guaranteed income. Moreover, a guaranteed income is to be preferred to social assistance since it avoids a comprehensive inquiry into some personal aspects of the contributor's life, such as his financial needs and the use which will be made of the money. In other words, income can be assessed in a more impersonal way in a majority of cases.

We all know, Mr. Speaker, that the apparent flaws in the existing income security plans have been a matter of great concern and it has been frequently suggested that they should be replaced by an overall guaranteed income plan so that all those who are in need can receive a minimum income. Some have claimed that the cost of

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such a plan could be financed with the savings made by repealing other plans in the same field.

However, the application of a guaranteed income policy raises many problems. Sure enough, it would be possible to initiate a guaranteed income plan for all citizens and to incorporate it in social security measures which could not be abolished. For instance, from the amount of income guaranteed to an individual or a family could be deducted the amount of allowances received under one of the income security plans which would remain. As may be imagined, the method raises many administrative problems.

It has to be remembered that a guaranteed income plan is nothing more than a program of income assistance. It is not—and I insist on that point—a substitute for social services. A guaranteed income plan would certainly help solve many material problems which bear on poor families, but it is not possible to imagine that poverty may be made to disappear simply by ensuring a better income assistance.

The medicare and other assistance programs would still be needed to provide for the people not protected by these income maintenance programs.

In fact, the concept of guaranteed income is most frequently criticized because it does not relate income security and social services in the help it brings poor people. Here is what I am trying to explain. When a person applies for assistance and a means test is carried out, it seems that by adding cash allowances to assistance through social services, we could obtain better results than with only the cash allowances as provided in the plan in question.

We all know that social services recipients may get care and welfare services at the same time as cash payments. Those services include many benefits in the area of social prevention and rehabilitation, besides meeting the money requirements of individuals or their families.

On the other hand, some claim that it is more advantageous to administer services and monetary benefits separately. Whatever the case may be, Mr. Speaker, under both formulas the need remains to find a way to give the needy the necessary care, social welfare and rehabilitation services.

I should like to deal with another matter, that of the displeasure the increase in unemployment benefits might provoke among workers who do not earn enough. How unfortunate that those who work full-time should earn less than is needed to live decently. If guaranteed income benefits are added to their wages through a plan financed by taxes, then private industry would be less inclined to increase salaries. Consequently, those governments and industries not participating in the guaranteed income scheme would not feel compelled to increase salaries. In such a case, a guaranteed income scheme might finally subsidize the salaries which would be too low and I suppose that the printing press of the Bank of Canada should then start rolling.