

Guaranteed Annual Income

family allowances and the Canada Assistance Plan, the cost would be somewhere in the neighbourhood of \$1 billion, a sum which I suggest is the minimum amount our society can provide at this time for this worthy cause.

What, then, are the merits of the plan, apart from the social and economic ones of a general nature to which I have just alluded? First, a guaranteed minimum income would be established in Canada as a right of citizenship. There would be no suggestion at all of public charity. Millions of Canadians would be able, with the program in effect, to live a life that is not associated with the spiritual impoverishment which, as I said earlier, arises from material deprivation, especially in our kind of competitive economy. Millions, for the first time, would be free of the concerns which come with poverty.

Second, there would be no likelihood, or very little, of people deliberately choosing not to work. The level of payments and man's normal desire—something I stress—to share in the social commitments of society would mean that virtually all of our people would continue to do their share of productive labour, provided that sources of labour were available. I will return to this point in a minute.

Third, there would be little paper work involved in this plan. Almost all the work would consist of simply filling in a single form which would be processed in Ottawa by relatively few civil servants aided by computers. The plan's effect on bureaucracy, in short, would be almost nil.

In conclusion, I should like to stress that the guaranteed minimum income is not in any way a panacea for the ills of our society. It should be seen as but one instrument needed to overcome poverty, as one important ingredient of any advanced, civilized, industrial nation. What we also require in this country are the following. First, a related set of social and educational programs, the aim of which is to develop the co-operative and creative potential that lies within man. Second, other public goods and services which would continue to be provided for all our citizens out of the general tax revenue. I am thinking here of schools, medical and dental services, and recreational facilities. Third, and perhaps most important, what is required is that governments in this country become committed as they have never been committed in the past to an economic policy, the aim of which is to generate full employment—not

[Mr. Broadbent.]

stable prices—so that very few people in this country in the long run would need to rely in any sense on a guaranteed minimum income.

Our objective as a nation should be to introduce this plan now and then work, with all the energy and intelligence at our disposal, toward the creation of the kind of Canada in which no one in the years ahead would be required to rely upon this form of income plan. We should begin now!

• (5:20 p.m.)

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, motion No. 14 standing in the name of the hon. member who has just spoken raises a very broad and important matter for consideration this afternoon. As all members of the House are aware, there has been considerable discussion in recent years in all corners of our country about income maintenance schemes which in some way would guarantee a minimum income to all Canadians. This, of course, would be a major attack on poverty in our country. These proposals are given different labels such as negative income tax, guaranteed annual income, family security plans and so on. While they have certain essential similarities, often the plans differ as to specific features and approach. Difficulty in understanding arises when the same scheme is referred to by several different names, and when expressions like "negative income tax" are used to describe all the different methods proposed.

Guaranteed income describes all types of income maintenance measures which guarantee a continuing flow of income to all persons in a specific population group, or to all persons in a given category, or to the population at large. "Guaranteed income" is therefore a most comprehensive concept and is any scheme which guarantees an annual amount of income, while "Guaranteed minimum income" is a scheme which brings all persons up to a specified minimum level of income. Negative income tax is one approach which can be used to provide a guaranteed income.

I should like, first of all, to make a few comments about negative income tax. It seems to me this is a system which would propose to use income tax as a means for closing part of the poverty income gap. The poverty-income gap is the difference between the actual income of a poor person or poor family and the income they would need in order not to be poor.

This involves using the income tax system in reverse. Under a negative income tax