

*The Budget—Mr. Marshall*

and these tax reform decisions he has ushered in a new era and started an economic recovery which will redound to the benefit of every Canadian.

**Mr. Jack Marshall (Humber-St. George's-St. Barbe):** Mr. Speaker, each time this government introduces some new piece of legislation or announces some scheme, there is such a fanfare raised in this House from the benches of the government that it seems a new era of justice, equality and goodness is being delivered to all Canadians in the field that the legislation or scheme concerns. However, when we separate the propaganda from the facts, we inevitably find that all is not as beautiful as it has been said to be.

On June 18, the Minister of Finance (Mr. Benson) introduced a budget and tax reform proposals. For the past several days in this House, we have heard the trumpeting of government members as they tried to make up for the lack of substance in the minister's statement with a compensating dose of noise.

One of the illusions which the government is under is that the budget, together with the tax reform legislation, will do all that any tax-reform budget combination can do toward the alleviation of poverty. More than once in the past 10 days the budget and the proposed tax reform have been heralded by the Liberals as being the maximum effort that could be expended by any finance minister as part of his role in the fight against poverty. On Tuesday, June 22, one hon. member said, as recorded at page 7245 of *Hansard*:

I suggest that the government has done everything it can in the way of tax reform with respect to poverty.

This member was deluding himself when he said this. Either he was letting his own idle wishes obscure the facts or he was trying to cover up his naïveté in the field of poverty and welfare by merely reciting loyally the official government propaganda line. We should all be aware that poverty means that an individual or a family does not have sufficient income to meet the basic needs of life; the need for adequate food, clothing, shelter and medical care. It means that the children of the poor do not attend school as long as other children. They suffer from poorer health and live in poorer housing.

The poor may be divided into two categories. The minority are unable to earn a living because of such things as age, chronic sickness or disability. The majority are those who are poor because they have difficulty in finding or holding a steady job. Their difficulties may arise from disadvantages, such as lack of education or training, lack of information about job opportunities, inability to move to known job opportunities, and poor physical or mental health stemming from economic deprivation.

● (4:50 p.m.)

The Economic Council of Canada has stated that income is more likely to be below the poverty line when one or more of the following characteristics are present: the head of the family has no formal education beyond elementary school; the family lives in a rural area; the family lives in the Atlantic provinces; the head of the

[Mr. Tolmie.]

family is not a member of the labour force; no member of the family worked during the year; the head of the family is 65 years of age or over. Whatever their characteristics, however, the poor share the same problems. For example, the preliminary report in the United States of the President's commission on income maintenance programs documented a strong correlation between poverty and ill health. The report states that poor families have four times more disabling heart disease and six times more nervous disorders and mental illness than the population at large. The poor also have three times as many orthopedic ailments and eight times as many visual defects. Nearly one-half of poor, pregnant women receive no prenatal care, and a child born to poor parents is twice as likely as the average newborn to die before his first birthday. Fifty per cent of poor children are not immunized adequately, and 64 per cent have never seen a dentist. Since poor health among children and teenagers reduces their educability, their future employability and productivity is also reduced, thus contributing to the cycle linking poverty, unemployment and ill health.

I could continue for some time to document the problems faced by the poor and the traps that bind them. However, it should be evident, even from this limited discussion, that any attack on poverty, if it is to be successful, must be a many-pronged one which would include efforts to improve education, housing and health as well as income. Nevertheless, the most important and first ingredient in a solution to the poverty problem is to raise the incomes of the poor to a reasonable level. An inadequate income is a common denominator shared by all poor, and measures to guarantee a sufficient income to the poor must be considered the all-important first step towards relieving poverty.

There are many and wide ranging estimates of the extent of poverty in Canada. Perhaps the best known figures on the number of poverty stricken Canadians are those based on the Economic Council of Canada's poverty line concept. In 1969, the poverty line was set at \$1,894 for unattached individuals, \$3,157 for families of two, \$3,788 for families of three, \$4,420 for families of four, and \$5,051 for families of five or more. These income limits, originally developed as long ago as 1961, were selected on the basis that urban families with incomes below these limits usually spent 70 per cent or more of their income on the basic necessities of food, shelter and clothing and were thus left with very little discretionary income. These limits have been adjusted by the rise in the consumer price index since 1961, but have not been revised to take into account changing consumption patterns.

Using these figures, the Dominion Bureau of Statistics reports that 17.3 per cent of all families and 35.5 per cent of all unattached individuals in Canada in 1969 were below the poverty line. Poverty affected a total of 842,000 families and 577,000 unattached individuals, altogether involving a total number of persons that in all likelihood does not fall much, if at all, below the 1961 total of over four and one half million as estimated by the Economic Council of Canada. Other sources give different approxi-