

### *Social Security*

short term, approximately \$470 million additional a year in the hands of low-income people. This figure represents \$194 million of additional cost under the GIS program, and \$270 million redistributed under the family income security plan proposals resulting from benefits withdrawn from higher income families and in tax recoveries from beneficiaries.

For the longer term, proposed changes under the Canada Pension Plan should have the effect of increasing protection for various groups in need by another \$365 million a year.

These important improvements can be made without diluting economic development programs which help to ensure productive employment for the majority so that the national wealth with which to assist the less fortunate may continue to be generated.

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, we are troubled by the persistence of widespread poverty in Canada. One-fifth of the total population is said to exist below the poverty line. I think we must learn to recognize the face of modern poverty. By far the greatest number of Canadians below the poverty line are working full time or part time and receiving virtually no assistance. Most of the others can work only part time in their part of the country or are old, blind, disabled, or mothers of deserted families. The number of Canadians who are poor because they simply refuse to work is said to be only 3 per cent of all those actually below the poverty line.

We are troubled by the failure of our increasingly costly welfare system to eliminate poverty. Our system was evolved piece by piece over the last half century, with each new program reflecting the problems and the values of its day. But there has never been a comprehensive overhaul of the entire structure based on consistent goals and principles. The result is a rather badly coordinated system which sometimes wastes funds in various areas and ignores real need in others. Such a system cannot be expected to cope with the rapidly changing conditions and problems of our technological society. Certainly a thorough examination is needed.

We believe that our society demands the creation of a full system of social justice. We claim that the major goal of our society should be to maximize every individual's freedom of choice and independence. But for men and women who are forced to devote their lives merely to staying alive there is neither freedom of choice nor independence of mind. Unless we act effectively, one-fifth of the Canadian people and their children after them seem destined to remain in that situation.

We believe such reform should give a key role to incentives. This, of course, does not apply to the aged and those outside the working force. But we should emphasize the necessity and importance of income development, of assisting all Canadians who can work to develop both the ability and the competence to achieve greater income earning potential. Opportunities and incentives are needed to encourage recipients to seek

further training or fuller employment. Our present welfare and retraining programs, which all too often discourage such efforts, must be reformed. We require an income development program for residents of Canada that would be federally sponsored and integrated with provincial programs after full consultation.

A war against poverty was declared in this country a few years ago but it was abandoned. In all fairness, one must emphasize that poverty has actually deepened in the last couple of years in this country as a result of increased unemployment and of the failure of old age pensions, for example, to increase correspondingly with the increase in the cost of living. Certainly this white paper and its proposals are two years late. When one reads the white paper and sees what is in it one wonders why it took two years to prepare it and table it in the House.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** I will make no comment today on the unemployment insurance proposals which are in a separate package, nor on the proposals regarding the Canada Pension Plan which are not destined to come into effect until 1973. We will have plenty of time to talk about those. As to old age security, the flat rate is to be frozen at \$80 a month. Single persons over 65 years of age are guaranteed an income with supplement of \$1,620 a year and married couples \$3,050 a year. It should be pointed out that the sum of \$1,620 a year is still well below the poverty line for a single person over the age of 65. It should be pointed out also that these allowances are subject to tax. Above all, it should be pointed out and emphasized that the 2 per cent upward adjustment in terms of the cost of living is still to prevail for some reason that is quite beyond my comprehension.

The minister pointed out that these changes will cost \$194 million. This will be paid out of the old age security fund. I should emphasize in passing that the amount that the government will save as a result of reducing its family allowances program will at least offset the increase in old age security payments. I do not think the minister intended to give the impression, but perhaps he did, that some \$270 million is being transferred to recipients of family allowances at the lower end of the income scale. I think the figure is actually \$100 million, and the sum actually saved will be some \$270 million plus the \$100 million. I do not object to the principle of selectivity here, but I emphasize that this assistance to the aged is late, is inadequate, particularly for single persons below the poverty line, and is subject to taxation. I do not see why the older people who have been held up for so long must wait until April 1 of next year to receive any help at all.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** As to the changes with regard to family allowances, I suggest that the system adopted is rather crude, far cruder than it might have been in the sense that the income eligibility does not vary at all with