

The Canadian Welfare Council has called for a complete review and revision of current social policies to plug gaps in existing social welfare programs and to improve existing programs. The Council calls for provision of a guaranteed annual income for all Canadians as a needed first step.

*Statement by the Economic Council of Canada*

In their *Fifth Annual Review* the Economic Council of Canada said:

"Poverty in Canada is real. Its numbers are not in the thousands but in the millions. There is more of it than our society can tolerate, more than our economy can afford, and far more than existing measures and efforts can cope with. Its persistence, at a time when the bulk of Canadians enjoy one of the highest standards of living in the world, is a disgrace."

In their *Sixth Annual Review* entitled "Perspective 1975", the Economic Council of Canada spoke of the costs and economic implications of poverty. These were best described as:

*Lost Output*—the additional production of goods and services that the poor would have created had their productive potential been better developed and effectively used.

*Diverted Output*—consists of the goods and services not produced because productive resources are diverted from other potential uses into activities made necessary by the failure to eliminate remediable poverty.

On welfare assistance the Council said:

"Welfare assistance is provided in a manner and amount that all too frequently undermines, rather than reinforces, the abilities and the aspirations of recipients to participate productively in the economic system." . . . "The majority of the poor contribute more to general tax revenues than they receive in the form of government welfare expenditures."

*Canadian Labour Congress' Concern*

Our Federation is aware that the parent spokesman for labour in Canada, the Canadian Labour Congress will be appearing before your Committee at a later date. We would be remiss in our duties if we did not mention in our brief the concern of the C.L.C. for the millions of Canadians in every part of the country who are forced to exist on incomes and circumstances which deny them a proper standard of living.

The C.L.C. is represented on the Economic Council of Canada and has representation on the Board of Directors of the Canadian Welfare Council.

During the last seven years, the Canadian Labour Congress has urged its affiliates to turn their attention to a particular problem affecting Canadian society in what has become known as labour's Citizenship Month Program. This year we focused attention on A Guaranteed Annual Income as a social right for every Canadian. Some of the other Citizenship Month Projects were: Canada Pension Plan, A Health Charter for Canadians, Taxation—Carter Commission Report, and Housing. All of these programs play some role in the matter that has become a concern of your Special Senate Committee.

Canadian Labour, the official monthly publication of labour devoted a whole issue in August, 1969 to the question of poverty. Other publications of the C.L.C. have had articles on the subject and almost every trade union publication in Canada has had articles on poverty in order to inform their members of the problems of the poor.

Before embarking upon the views of our own Federation, we would like to quote excerpts from the Memorandum to the Government of Canada by the C.L.C. on March 23, 1970 and from the Policy Statement on Poverty as adopted by the 1,500 delegates at the 8th Constitutional Convention of the C.L.C. in Edmonton in May of this year.

In the Memorandum, the C.L.C. said:

"The allegation has been made that in insisting on high wages, the trade unions are somehow doing an injustice to those who cannot bargain for their own incomes: the aged, the unorganized, and those with low incomes generally. We cannot accept this proposition. Trade unions do not create poverty. On the contrary, they have tended to eliminate it for that portion of the working population which is to be found in their ranks. Trade unions have furthermore a proud record of action on behalf of those who do not directly enjoy the benefits of union efforts, as witness campaigns for improved old age security legislation, medicare and other social measures. We do not for a moment believe that voluntary restraints on our part would contribute in any way to improving the lot of the poor. We doubt that Canadian corporations will respond to more modest wage demands by keeping prices down or