

Items other than food, clothing and housing cannot very well be based on scientific calculations, but it should be clear to all that when a family's income is just large enough to cover what is considered necessary for the maintenance of health and working capacity, poverty still exists and poverty still exists because money is also needed to satisfy those social needs which enable one to avoid being an object of pity or of ridicule in the community in which one lives. Canada has tried a number of different techniques in its efforts to fight poverty. There are some universal plans. There are some social insurance plans. But since it would be far too costly to provide social insurance and universal flat-rate benefits sufficient to meet all needs, there will be a continuing need for social assistance programs related to family income and needs.

Social assistance must recognize a family's need for adequate income, for the maintenance of personal dignity and independence, and as well it must encourage self-reliance. Social assistance should progress from poor relief to social insurance by improving assistance benefits, enlarging the concept of need, and by removing the moral stigma attached to recourse to assistance.

I just wish to mention in closing a word about guaranteed income, Mr. Speaker. Using this technique, the government pays subsidies to all poor households in order to raise their already low incomes, and to reduce or fully close the poverty income gap. This approach is less costly than universal payment plans, and is less offensive to recipients than the needs or means test. It is a more efficient anti-poverty tool than either the demogrant or social insurance techniques. The main thrust of this type of program is to help the working poor.

The guaranteed income or income test approach has been used in the case of the guaranteed income supplement for old age pensioners. By using this technique, Canada is one of the few countries in the world to have tried this new approach in which income tax data and the amount of the benefit are linked together. I think that all of us in this House recognize that we have a long way to go in our efforts to eliminate poverty. But having defined the problem, and having had the courage to face up to it, considering that there are always limitations of resources, I am convinced that some important steps forward have been taken, and I know that some other equally important steps may be expected soon.

Mr. Joseph-Philippe Guay (St. Boniface): Mr. Speaker, to abolish poverty in Canada is not an easy task, and indications are that no legislative action can achieve such an objective within a short period of time.

In the past, public policy in the economic field has been directed, as it continues to be directed today, towards maintaining a high level of income and employment, and in the social field towards the development of a comprehensive range of income maintenance programs and health and social services. It has been generally expected that as national income rose, and social security provi-

sions improved, there would be fewer and fewer people living in poverty.

Much of our concern today centres around the fact that traditional economic and social policies have not solved the problems of our industrial society to the extent expected, and that our programs are not adequately meeting the needs of the poor. In order to examine the shortcomings of our system with regard to the poor, it is important to examine the concept of poverty and its consequences in Canada.

What is the meaning of poverty? The basic meaning of poverty is deprivation. The poverty-stricken are deprived in relation to the affluent and the well-to-do. A moment's reflection on the subject makes it clear that poverty varies with time and place in terms of recognized values. Starvation, death due to exposure, and loss of life due to some lack of resources are the only absolute forms of poverty, while the remaining types of deprivation are relative. Everyone knows that being poor in Canada means something different from being poor in India, and that poverty in Canada is much different today from that in the thirties or in many earlier decades.

● (5:30 p.m.)

Poverty involves both economic deprivation and social alienation. Economic deprivation develops when poor people have insufficient access to certain goods, services and conditions of life which are enjoyed by the rest of the community. The most obvious effect of poverty on personality is that children of the poor soon become conditioned to failure which, in turn, leads to social alienation. Expectations are first learned in the family and if continued failure is the expectation, ambitions of the young remain low. In this way poverty is self-perpetuating, passing from one generation to the next.

I think, Mr. Speaker, we ought to ask ourselves who are the poor in Canada. In labour market terms, the poor can be divided into three classes: the unemployed, the underemployed and the unemployable. The second category includes the working poor who are working full-time but whose earnings are abnormally low in relation to their needs. The third category includes retired people, widows and deserted wives with dependent children, the totally disabled and vocationally handicapped, all of whom have practically nothing to offer in the labour market.

An examination of the incidence of poverty in Canada for 1967 indicates that out of the 840,000 families estimated to live below the poverty line, about 60 per cent have family heads who are participating in the labour force. This includes both the unemployed and underemployed. The income of these families is presumably beyond public assistance levels and, according to the criteria underlying the determination of poverty lines, is not sufficient to maintain an adequate standard of living. More than half of the poor families in the labour force are headed by paid workers employed at low wages and with large families. Somewhat less than half are headed