

*The Canadian Economy*

will tear us asunder, they must do the same thing. They simply must take measures to bring the incomes of the Newfoundlanders up to the incomes of the Ontarians. They simply must take steps to prevent the 38 per cent of Canadian unemployed people being Quebeckers. They simply must find ways and means of working with the municipalities across Canada to finance hospitals and schools, sewage plants, transit systems and low income housing that are needed so badly and that would provide employment for so many. It is time they stopped pouring public money through the sieve of well-heeled corporations, Canadian abroad, U.S. and others, in the vain hope that the provision of jobs for people and not profits for shareholders will be the main consideration.

We need a new ethic to bind us together if we are to keep Canada in one piece and develop it into the lovely, harmonious country it could become. That ethic is the conviction that every Canadian has the right to share in the good things of this country and the responsibility to share in the planning and development of this country. My resolution is only the first step in building the confidence and co-operation essential for this tremendous undertaking. I commend this resolution to the very serious consideration of this government, knowing well that it embodies the absolutely essential first step to achieving a united country which will be of some use in bringing about a harmonious and united world.

**Mr. B. Keith Penner (Thunder Bay):** Anyone who has ever experienced the frustrations of being poor; anyone who has ever seen at first hand the social and psychological effects of poverty, must certainly be dedicated to the elimination of this disease in our society. The abolition of poverty, however, by redistributing income and planning production resources so that a more equitable standard of living for all Canadians is brought about is hardly possible within a short period of time. I say that because, on the one hand, a responsible government must concern itself with the goals of economic growth. This is what provides jobs for people.

The hon. member to my left indicated that this is the most effective way to eliminate poverty, and to that extent I agree with her. On the other hand, the government, besides trying to expand the economy and provide for its growth, must also search for ways to bring about a greater equity in the distribution of income. If there were to be a sudden increase in the redistribution of income in the form of a large expansion of income security programs, for instance, this could very well impede economic growth in a number of ways. It would shift government expenditures away from activities that contribute to growth, such as stimulation of new output, improvement in productivity, manpower training, research and so on. Increased benefits would have to be paid for by increased revenues through higher taxes, and that must result in higher production costs. These higher costs would result in a slowdown of the Canadian economy since Canadian producers would be unable to compete in both the domestic and foreign markets, and this in turn would result in still greater unemployment and a greater need for welfare.

[Mrs. MacInnis.]

• (5:20 p.m.)

In discussing the abolition of poverty, the problem begins with the question of how to define poverty. Although many definitions are possible, it is obvious that any single definition of poverty is arbitrary and clearly subject to disagreement. To the poor, however, poverty cannot be defined in statistical or sociological terms. Their condition exists as a daily fight for survival. Their deprivation is real, not a trick of rhetoric or statistics. Moreover, for many of the poor, poverty is not a temporary situation but an enduring fact of life.

In the usual sense, poverty exists when the resources of people are inadequate to provide a socially acceptable standard of living. The classification of what standard is socially acceptable, and the measurement of resources that people should have to keep up an acceptable standard, of course present many difficulties.

The Marsh Report of 1943 pointed out that a yardstick to determine poverty was necessary because the starting point for all social security discussions must be the minimum level of family income, and because such a standard measures the adequacy of existing legislation and social assistance practices. Once a minimum standard of living has been defined, there comes into existence as well the impetus to eliminate poverty. Therefore, the establishment of so-called poverty lines is necessary in order to have efficient social planning.

Poverty today is certainly something quite different from that which existed in pre-industrial and early industrial societies. Today, poverty in Canada is not so much a question of subsistence although, Mr. Speaker, there still is in existence some subsistence poverty, particularly I think among the native peoples of Canada. Mostly, however, poverty now is a question of relative deprivation.

Generally speaking, the standard of living of Canada's poor is related to a much higher across-the-board standard of living. Thus, poverty is no longer related only to the satisfaction of basic needs but also to the aspirations of people for higher standards. By some this has been called the revolution of rising expectations. The concept of minimum need in our affluent society extends far beyond mere physical needs to include conventional and social needs. A minimum standard budget, therefore, must represent the lowest possible level that does not compromise the family's physical health or their self-respect as members of the community.

In Canada, recommended intakes of food are suggested in the Dietary Standard for Canada, together with the Canadian Food Guide. The Report of the Federal Task Force on Housing stated that everyone in Canada is entitled to "clean and warm shelter as a matter of basic human right." As for space, the Central Mortgage and Housing Corporation has a standard for public housing which includes a kitchen, living room, a bedroom for two parents, and no more than two children in one bedroom. Clothing costs can be calculated on replacement rates.