

Guaranteed Annual Income

(Mr. Broadbent), for giving the House the opportunity of discussing this very important subject this afternoon. On October 28 last I made a speech during the debate on the Speech from the Throne in which I spent considerable time commenting on various guaranteed annual income schemes, and I welcome the opportunity of further discussing them this afternoon.

Last November my third report to my riding, mailed to all my constituents, included a questionnaire which contained the question: "Do you believe that a guaranteed income plan should become the basis of a revised welfare program?" Interestingly enough, after the questionnaires were returned I discovered that the opinions of my constituents were split exactly 50-50 on this subject. Many who returned the questionnaires wrote additional comments on them or included letters with them, and many of the letters showed a quite deep suspicion of a guaranteed income plan. Such comments as, "Numerous people prefer no more, and live on welfare because easier" and, "I don't believe in giving freeloaders an easy ride" were used by some of my constituents.

The principle of a guaranteed income plan is a very difficult one for many people because of the high cost of our many social welfare schemes and the high taxes everyone has to pay to support them. It is an especially difficult concept for those who work hard to earn perhaps \$1,000 to \$4,000 more than the amount that would be subsidized under a guaranteed income plan. These people in, say, the \$5,000 to \$8,000 a year income level—and they are very numerous in my riding—realize that they would receive no direct benefit under such a scheme, and many of them—and also many in higher income brackets—believe that the people who live in public housing and/or receive municipal welfare or assistance under mothers' allowances and similar plans are taking advantage of them, the hard-working taxpayers.

Over the years federal Liberal governments have initiated all our main social security legislation and I am proud of their record in that regard. Some \$6 billion are spent annually by the federal government on social security and social development programs, including \$1,760 million for old age security and guaranteed income supplements for our senior citizens, \$906,000,000 for hospital insurance, \$889,000,000 in equalization payments to less developed provinces, \$618,000,000 to post-secondary education, \$616,000,000 for family

and youth allowances, \$472,000,000 for the Canada Assistance Plan which pays for one-half the cost of the provincial social security schemes, \$214,000,000 for manpower retraining, \$181,000,000 for medicare, as well as unemployment insurance benefits which are largely financed by direct contributions from employers and employees.

However, Mr. Speaker, despite the value of all these programs they have not directly met the needs of the 25 per cent of our people who are living below the poverty level as defined by the Economic Council of Canada. To me, therefore, a guaranteed income plan which would have to include excellent incentives to work for additional income is needed as quickly as possible in Canada before we can hope to win our war against poverty.

• (5:50 p.m.)

It has become a cliché to state that we are a rapidly changing society, but it is a very true and major characteristic of our changing society that we are in the midst of a social and cultural revolution. If we ignore this mood in the development of our social policies and programs, we do so at our own peril. In the midst of this social and cultural change, some of the basic principles which have for centuries governed the manner in which we have dealt with the more vulnerable members of our society should be questioned and challenged. In brief, the concept of aiding the poor through charitable handouts or public assistance relief measures may well be outmoded.

The technological revolution has been a major factor in producing almost a quarter-century of solid economic growth for Canada. For 19 years we have enjoyed economic expansion at a healthy 5.1 per cent annual rate, and for 18 years wages and salaries have gone up at the annual rate of 8.7 per cent. The Economic Council suggests it is realistic to hope for a further 35 per cent increase in our standard of living by 1975. In the midst of this economic growth we are increasingly puzzled as to why some 25 per cent of our population seem unable to participate in this new wealth, and why the gap between the "haves" and "have nots" is growing.

Although a moralistic approach to poverty dies hard, the concept that poverty is in most cases a consequence beyond the individual's control is now being more widely accepted in Canada. We will likely continue to be a work-orientated, indeed a work-addicted society. While fewer workers may be required,