

convincing. If he does this he will have the support and gratitude not only of the members of our party but of all Canadians.

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, if I may speak to the amendment to this bill moved by the New Democratic Party, one of the members of that party has indicated that I am surprised by their opposition to the bill, that indeed I looked surprised when they took the position that they would vote against the bill on second reading. They are right; I am surprised. As many hon. members know, the Economic Council of Canada, the Senate report on poverty, the Council on Social Development, to say nothing of numerous other studies, have all indicated that in this country perhaps four to five million Canadians are living below the poverty line and that something must be done to alleviate their situation.

This is why the government has brought in what is undeniably an anti-poverty bill, a bill that is based on the principle of selectivity which will vertically redistribute income to the low income groups. Added to the present \$650 million paid out yearly in universal family allowance payments will be another \$170 million, making a total of \$820 million vertically redistributed to improve the economic condition of those in the lower middle and lower income groups. And the New Democratic Party, the supposed party for the underprivileged, is going to vote against it!

Some 1,249,000 families, representing 35.5 per cent of all families in Canada which have been receiving universal family allowances, are below the minimum income levels provided in the bill. The minimum income levels in the bill are higher than the minimum tax levels and these families will receive maximum benefits under this legislation. If we relate the benefits under the bill to the family allowance we will see that the benefit structure under the bill provides benefits that are more than double for children up to 10 years of age. For children 10 to 12 years of age the benefits are doubled. For children between 12 and 15 the benefits are, again, more than doubled. For children between 16 and 17 the benefits are exactly doubled. And one wonders why I am surprised that the New Democratic Party is voting against this bill!

The bill provides greater benefits than is now the case for an additional 623,000 families. These are in addition to the 1,249,000 families I referred to earlier who will receive full benefits, more than they receive today. These families are, of course, in the lower and lower middle income groups. Again, some ask why I am surprised, as indeed I am, that the New Democratic Party is voting against the bill.

Let me give an example of what this legislation means to a family at the \$5,000 annual income level. Take a family with two children receiving the maximum benefit of \$30 a month if the children are under 12, and up to a maximum of \$40 a month if they are over 12. This represents a net gain of \$18 to \$20 a month. If there were three children in the family, the maximum benefit would be \$45 to \$60 a month or a net gain of \$27 to \$32 over the previous family allowances which were universal.

Family Income Security Plan

Looking at this situation in terms of yearly incremental income in both instances which I have just mentioned, a family with two children under the age of 12 would receive \$216. If the children were over 12 the family would receive \$288 per year incremental income. In the second example I referred to, the family with three children under 12 would receive a yearly incremental income of \$324. With three children over 12 years of age, including those receiving youth allowances, the amount could be up to \$432 a year.

Now let me cite the case of a family with two children, at the \$6,000 a year income level. If both children were under 12, the family would receive \$11.70 for each child or a total of \$23.40 a month. This compared with the present legislation means a net gain of \$11.40 per month. If both children were over 12, for each child the family would receive \$16.70, a total of \$33.40 per month, amounting to an incremental income per year of \$208.80; in other words, under the family allowance program that represents a net gain of \$17.40 per month.

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In the case of four children under 12, the family would receive maximum benefits under this legislation of \$60 or an incremental income of \$432 per year. In terms of monthly net gain over the present family allowances it would be \$36 per month. For a family with an income of \$6,000 a year, with four children over 12, the maximum benefits would be \$80 per month. In terms of comparison with the monthly benefit under the present family allowances structure, that is a net gain of \$36 to \$48 per month.

I ask hon. members opposite to tell the mother of a family at the \$5,000 income level that this program is a cruel hoax. Let the leader of the NDP, the hon. member for York South (Mr. Lewis), tell the mother of a family at the \$6,000 level, with four children, that the incremental income here of \$432 to \$576 per year, a monthly net gain over the present system of \$36 to \$48, is a cruel hoax perpetrated on the poor. Let the leader of the NDP tell these families that is why his party voted against the bill.

Let me read an excerpt from a recent column by Douglas Fisher which appeared in the *Toronto Sun* of Monday, April 24, 1972, under the heading, "The rich get richer and the poor get poorer". He was referring to a question placed on the order paper by the hon. member for Winnipeg North (Mr. Orlikow). The question was:

In respect of the years 1961, 1966 and 1971, what was the distribution by income groups of families and individual taxpayers, and particularly the grouping of income above \$1 million?

The question went on to ask what the levels were at \$6,000, \$5,000, \$4,000, \$3,000, \$2,000 and \$1,000 annually.

The answer from the national revenue department was that there was no distribution by family income groups, but it gave the following distribution of individual taxpayers based on the annual analysis of tax returns. These were the latest available figures, being those for 1969. They are very interesting. The table of figures shows that out of the total number of taxpayers in Canada, 7,363,000—69.9 per cent or a total of almost 70 per cent—were receiving a total income of \$7,000 a year or less. If you take the intermediate figure for the group of taxpayers earning between \$7,000 and \$8,000, in order to arrive at