

*Guaranteed Income*

contribute toward advancing the ideas of the public, hon. members and the government on the poverty problem which we must now face as a country and as a society.

I should like to start by making a few comments about the allegations which were made today about certain things that I said or did not say. I refer in particular to the statement of the hon. member for Drummond (Mr. Boisvert) who quoted from a newspaper clipping according to which I had objected to the establishment of a guaranteed annual income in Canada. I would suggest to the hon. member that he refer to the document which served as a basis for the article which he mentioned to the House, and that instead of reading newspaper clippings, he should read the copies of this speech which I sent him several months ago and which he could have taken the trouble to examine. He would then have seen that the said article does not represent the ideas expressed in this speech at all. I also refer him to another speech which I gave on November 20 last, in Montreal, before the representatives of the Canadian Tax Foundation.

I hope that, in all honesty—and I count on the good will of the hon. member—he will take the trouble to destroy this clipping and will admit that it is simply a hoax or an article that give a completely false report of the statements that I made. Once again, I refer him to the speech that I gave in Montreal on this occasion, and he will see that far from objecting to the guaranteed annual income, I spoke in favour of it especially with regard to those who are unable to work or unfit for work, whatever the reason may be.

I shall waste no time commenting the remarks of the hon. member on the characteristics of the Outremont riding. I suggest that he give himself the trouble of spending a day or so in that riding; he will see that the limits of the riding are not necessarily those of the city of Outremont, and that even in that city there are still quite a number of citizens who depend on welfare benefits, especially in the poorer areas. The riding of Outremont is almost twice the size of the city bearing the same name and has twice as many inhabitants. I would even be willing to bet there are more people on welfare in that riding than there are in that of Drummond.

Like him, I have on occasion had some visit me at my office in Outremont. But I shall not spend much time on this matter because I feel it is important that I spend a few minutes to discuss the motion before the House.

I must admit that if it were a mere statement of principle relating to guaranteed annual income, I would have been happy to support the motion. However, I must consider that this motion is worded in a way which, unfortunately, does not deserve support from the government, and I do not believe that it should deserve support from anyone who examines objectively the situation as it has been in the country over at least a year and a half.

The motion read as follows:

That this House regrets that the government has taken no concrete steps to ensure the establishment of a guaranteed minimum annual income to overcome poverty in Canada and enable each Canadian citizen to cope with problems of rising prices and to fight inflation efficiently.

First, I will point out to him that it is certainly false to pretend that no concrete steps has been taken to imple-

[Mr. Lalonde.]

ment a guaranteed annual income scheme. First, everyone knows that the old age security pension with the guaranteed income supplement actually represents a guaranteed annual income. That was a measure passed by Parliament several years ago.

Now, since November 1972, we improved substantially the benefits set out in that plan. Furthermore, as was recalled this afternoon by my parliamentary secretary (Mr. Cafik) we are conducting a pilot experiment in Manitoba, 75 per cent of which is financed by the federal government and which is aimed at experimenting with various aspects of guaranteed minimum income. This will surely be of very great help both to the federal government and the provinces for the implementation of any further steps we could consider taking.

Needless to recall that in the month of April of last year this government published a paper on social security. It includes two propositions—proposition No. 6 and proposition No. 7—suggesting precisely that an income supplement plan and a guaranteed income plan be set up. I quote particularly proposition No. 7:

That a guaranteed income should be available to people whose incomes are insufficient because they are unable or are not expected to work, namely the retired or disabled, single parent families, and people who are not presently employable by reason of a combination of factors such as age, lack of skills, or length of time out of the labour market. The guaranteed income would be paid in the form of an additional income supplement over and above the general income supplementation available—

—to be paid out to those able to work.

As a matter of fact, that paper committed the federal government to setting up a guaranteed income and a form of income supplementation; it is following the release of that paper that we started in co-operation with the provinces the general review of our social security system.

That paper released in the month of April last year was more than a theoretical effort put before this House to gain time or delay steps which could be called for. To the opposite, as was recalled by members of my party this afternoon, we have implemented many measures both in the area of family allowances and that of old age pensions, notably the indexation of social benefits and the increase in pensions paid under the Canada Pension Plan or the Quebec Pension Plan.

To assert therefore that no positive action has been taken to ensure a minimum guaranteed income is a false statement; one is really closing one's eyes to reality when supporting seriously such an assertion.

A guaranteed annual income, in the mind of the government—and in that I agree with certain aspects of the motion under consideration—is undoubtedly an effective weapon against poverty; that is why the government supports such a proposition.

But when the mover goes even further and indicates that it is a measure that would enable every Canadian to cope with the problem of price increases and to fight inflation effectively, I must tell him that annual income in itself is no guarantee against inflation or price increases. All will depend on the level at which the guaranteed annual income will be set and how it will be occasionally adjusted according to price increases. For example, last year we adjusted on the cost of living index all social