

*Alleged Non-Support of Employment Programs*

had indicated that Mr. Cheeseman did not think that pumping money into the economy was the solution. Does the minister not agree with the alternative proposed by Mr. Cheeseman, namely, a reduction in taxes? In other words, does he not agree that the policy of tax incentives is a proper policy for the government to pursue?

**Mr. Munro:** My answer to that question is that it shows a further contradiction in the hon. member's argument. In view of the deficits that we are now running into, is he saying that we should increase social assistance and unemployment insurance, which is a further burden on the taxpayers in terms of contributions? Is he espousing further expansionary policies to stimulate economic development, which would mean more taxes and more expenditures and, at the same time, is he saying that we should reduce taxes?

**Mr. Korchinski:** It sounds as if the minister has trouble from all sides.

**Mr. Munro:** It seems to me that the hon. member's position is loaded with contradictions. Surely what we are talking about, Mr. Speaker, is an easing of the money supply. Surely what we are talking about is expansionary policies, about increased expenditures to get the economy going. The Minister of Finance (Mr. Benson) has documented precisely how we are going to do this.

In the meantime, let us look at a more positive way than that of increasing the amount of money to municipalities. Let us look at a way that might help them with their social assistance problems and yet carry with it the guarantee that the assistance will help the people who are receiving social assistance as well as the unemployed. One might ask, how am I to do this on more positive lines? I suggest that you look at the white paper on income security for a few pointers. What we talk about there is redistribution within our present social security system, within our income security system, to put money into the hands of lower-income groups. That way you could ensure that the people living in poverty that so many hon. members seem to be concerned about will receive the benefit.

**An hon. Member:** When?

**Mr. Munro:** If we adopted the policy set out in the motion, there would be no guarantee that those people would receive anything. There is no guarantee whatsoever. But if we redefine our policies—

**Mr. MacInnis:** Mr. Speaker, would the minister permit a question.

**Mr. Munro:** When I have finished, if the hon. member does not mind. If hon. members want to adopt constructive policies of direct payments to persons, payments that will have a redistributing effect in favour of the lower-income groups, they should look at several of the schemes we have now and at suggestions as to how they should be changed. There has been some discussion of the guaranteed annual income.

**Mr. Woolliams:** I do not think so.

[Mr. Alexander.]

**Mr. Munro:** Is the opposition suggesting that we must put all the emphasis on social assistance and that this is the only answer? If so, what is their position on the guaranteed annual income which some of them have espoused? The two concepts do not work very well together. Social assistance, it seems to me, has been acknowledged by everyone as being the least attractive way of helping the lower-income groups. It is the least attractive of all. It is the measure of last resort. To attack the government, while at the same time proposing what I think everyone is prepared to acknowledge as the least attractive of all the income security measures with which to prime the pump, seems to show a complete abdication in terms of trying to find constructive solutions for what is facing the people today.

**An hon. Member:** The minister did not listen.

**Mr. Munro:** The only member of the opposition whom I thought had constructive policies to suggest was the hon. member for Fraser Valley West (Mr. Rose). He suggested that since social assistance is one of the least attractive of our income security measures, and since a stigma is attached to it, that we who are in public life should combat this increasing stigma which attaches to people who must rely upon such assistance. He pointed out something that should be reiterated, that tremendous numbers of people on social assistance are people who are permanently out of the work force. The majority of them are cripples, widows or deserted wives and children. He also pointed out a solution that I think is worth repeating. He said that one solution for this problem, and we point this out in the white paper, is early retirement.

Ahead of us in the 1970s we shall probably reach the situation in which the nation will be affluent, in which there will be a favourable balance of trade, in which the business community will experience a favourable profit picture and in which, because of cybernation and automation, people will still be unemployed. Perhaps we ought to redefine our thinking in terms of what is employment. Perhaps there are constructive areas that should be considered as employment that have not heretofore been considered as employment. Perhaps we should start thinking in terms of having many of these people put their endeavours into social activities, recreational activities and constructive leisure activities.

Not one of these novel suggestions that could be positive in terms of rehabilitation for those on social assistance, or in terms of putting those suffering from low incomes into constructive and creative work, has emanated all day long from the official opposition.

• (9:30 p.m.)

In terms of the vertical distribution of income suggested in the White Paper, I should point out the effect this will have in terms of a generator of economic stimulation. As of April 1 we will commence to put into the economy an additional \$200 million a year through the guaranteed income supplement. This will bring the total of the funds in the guaranteed income supplement and old age security to \$2 billion a year. By directing this money toward the guaranteed income supplement it will