

Recommendations:

1. that the Government of Canada implement a Guaranteed Annual Income (G.A.I.) program using the Negative Income Tax (N.I.T.) method, on a uniform, national basis.

2. that the proposed G.A.I. program be financed and administered by the Government of Canada.

3. that the proposed G.A.I. plan be designed to cover all Canadians who need it. Initially G.A.I. would not cover residents of Canada who are not Canadian citizens and Canadian citizens who are single unattached individuals under forty years of age.

4. that Basic Allowance Rates under the G.A.I. be set initially at 70 per cent of the poverty line for each family size as determined by the methods outlined in this report and raised progressively as quickly as possible.

5. that the G.A.I. plan incorporate a work-incentive mechanism to ensure that those who work receive and keep more income than those who do not. It is proposed that initially Basic Allowances be reduced at the rate of 70 cents for every dollar of other income.

6. that income-maintenance under the proposed G.A.I. plan be divorced from the provision of social services. The provision of social services would remain the responsibility of provincial governments.

7. that the Canada Assistance Plan (C.A.P.) be retained and up-dated to serve as a vehicle for federal-provincial co-operation and cost-sharing in the delivery of social services. C.A.P. would also be used to cover, on a "needs" basis, those not covered initially by the G.A.I.

8. that all existing federal income-maintenance legislation be progressively repealed. Social-insurance programs such as Unemployment Insurance, and the Canada Pension Plan, would be retained, as would certain contractual programs such as Veterans' Allowances and programs related to Canada's native peoples. The G.A.I. would immediately replace the Family Allowance, Youth Allowance, and Old Age Security programs, operated by the Federal Government.

9. that the G.A.I. program be based on the principle that no one would receive less income under the G.A.I. than he or she now receives from other federal programs such as Old Age Security and income supplements. Other allowances or insurance payments would be treated as "other income" and augmented through the G.A.I. program where they are less than the G.A.I. allowances.

10. that income tax exemption levels be raised so that no Canadian whose income is below the "poverty line" would be subject to income tax.