

principle of a guaranteed annual income is extremely attractive and has raised considerable interest particularly in Canada and the United States.

Many people from all ranks of society and representing the right as well as the left have advocated a guaranteed annual income plan as a novel means of income support. Some of these people are opposed to social assistance, but they consider the guaranteed annual income a better system than the various social security programs being implemented at the present time. They add that this system would cost less and be more realistic. Such a project has also been advocated by many other people who consider the present system as inadequate and would like a much larger income support to be provided.

Even though the principle of a guaranteed annual income has recently been much publicized, it is not a new idea. Several aspects of a guaranteed income plan are excellent and advantageous compared to the measures now in effect to maintain a certain level of income.

Indeed the system allows for bigger payments to families and people with lower income, and would cost less than some existing social security programs. Certain amounts can be paid subject to a simple means test, which does away with the feeling of shame often associated with welfare benefits.

This method does not require that potential beneficiaries submit to the degrading procedure of a means test, an assessment of their assets, their standard of living, measures provided for by provincial systems which fall partly within the scope of the Canada Assistance Plan. Although those benefits are important, the plan entails certain inconveniences and limitations which must be questioned. Too often, those who advocate the adoption of a guaranteed income know nothing of the obstacles, or, if they are aware of them, they choose to ignore them or minimize their consequences. It might be useful to speak about the problems related to the use of the guaranteed annual income plan as a means of income support.

One of the important questions is to know whether the guaranteed annual income will take totally or partially the place of the present welfare system or if it would be added to it. The present plan was slowly developed so as to meet social and economic needs. Programs were established in order to bring solutions to problems, but their scope was often limited by financial resources and the importance of other budget items.

The present plan is not perfect, but it is a good one and it is improving as social and economic changes take place. It is not possible to give up inconsiderately the present structure for a new and mostly theoretical formula, since it has been tested only in limited areas, without conducting a considerable amount of research and studies on the various aspects of the guaranteed annual income. Furthermore, the existing system provides health and welfare services, while the guaranteed annual income could only replace, in whole or in part, the programs providing financial assistance, and even in such cases, it is not sure that the guaranteed annual income could replace them all.

Unemployment Insurance Act, 1971

We find, for instance, that the unemployment insurance plan is designed to provide workers with an income during short unemployment periods, whatever their annual income. Benefits temporarily replace the loss of income caused by unemployment, without requiring that the income of the recipients be lower than the vital minimum.

The Canada pension plan and the social security system have another object, that is to assist the old, the disabled, widows, whatever their income may be.

The workmen's Compensation Board aims at meeting financial and medical needs resulting from accidents or industrial illnesses.

This is why the establishment of a guaranteed annual income system, under existing plans, should be closely considered, keeping in mind the economic and social objectives of the present social security system.

The Acting Speaker (Mr. Richard): Order. The private members' hour having expired, I now leave the chair until eight o'clock.

[*English*]

Perhaps I may be allowed to express my personal regret at losing a good companion and seatmate in the popular and effective former member for Brant.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Richard): At the same time, I should like to offer congratulations and best wishes to Jim Brown on his appointment to the bench of the province of Ontario, where I am sure his fairness and good judgment will continue to be of service to the province.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, you speak for all of us.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971

PROVISIONS RESPECTING INSURABLE EMPLOYMENT,
COMMISSION, BENEFITS, PREMIUMS,
ADMINISTRATION, ETC.

The House resumed consideration of the motion of Mr. Mackasey that Bill C-229, respecting unemployment insurance in Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to preface my remarks by indicat-