

*Family Allowances Act, 1973*

The present Minister of Finance (Mr. Lalonde) is a former minister of her Department. He would not dare to protest when the present Minister changes these regulations. She simply has to remove the definition of an orphan, and all orphans will then be treated like every other child, regardless of their income. However, if the Minister changes the regulations in this Act, it will automatically affect the other Program, the child Tax Credit Program, because it is based on the definition of a child that is contained in the regulations under the Family Allowances Act that we are now amending.

I would suggest, now that the Bill to amend the Act is before us, that the Minister could protect her own honesty in the House, since she has given her word that she would do everything possible to change the regulations. If the Minister were to instruct her Deputy Minister to ensure that those who are presently drafting the regulations correct this anomaly, which is immoral and unjust to the orphans and pregnant teenagers of this country, I do not believe that one voice in Parliament would oppose that change. Parliament would certainly not oppose it on the grounds offered by the civil servants.

I appeal to the Minister to act on this opportunity, especially now that she has a friendly Minister of Finance who is not influenced by his officials and who is aware of these facts since they arose during his regime. Perhaps he will look the other way when these regulations are changed to eliminate this anomaly, because his honour will be restored as well. I hope that the Minister seizes this opportunity and lives up to the philosophy that I know she has, that all people should be treated equally in this country, particularly under these social programs. I accept the Minister's word, supported by her action, that she believes in what I am saying. I am suggesting seriously that now is the time for her to move. A few thousand people she never knew may bless her for it.

**Mr. Stan J. Hovdebo (Prince Albert):** Mr. Speaker, I rise tonight to speak on Bill C-132, an Act to amend the Family Allowances Act. This Act could rightly be named an Act to increase the number of families who will live below the poverty line. This Act, along with Bill C-131 and Bill C-133, attacks a longstanding principle which this country has learned to expect and believe. The policy of universality has served Canadians well. It is a policy which all Parties of the House have supported. All Parties have supported the principle of universality for the social programs such as Family Allowance, medicare and old age pensions.

The Minister of National Health and Welfare (Miss Bégin) has said in the House that this Bill does not affect the universality of Family Allowance. I suggest that this is an attempt by the Government to pull a red herring in order to divert our attention from the fact that old age pensions and Family Allowances are being eroded and becoming more selective through a very clever manoeuvre in the budget. Perhaps the Minister does not know what universality means.

The debate on universality and selectivity has been a central issue in the development of social services by the Government of this country. The concepts are generally considered to refer to the question of who shall benefit and how their entitlement is to be defined. Universality denotes the idea that benefits or services are made available as a social right by virtue of

belonging to the entire population or to a particular group. Selectivity is the notion that eligibility for benefits and services is judged according to the individual needs, which are usually determined by an income or means test. A universal program preserves the dignity of the recipient of the social benefits. People are not divided into givers and receivers. Therefore, the stigma and the sense of alienation from society which results from this distinction is avoided. Because our system is basically equalitarian, everyone sees universal programs as being an extension of that equalitarianism. Since benefits and services are offered to everyone without discrimination, the payment is seen to be a fair and equitable distribution of the resources of the country.

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With a truly progressive tax system, those who do not need the benefits of Family Allowances could have those benefits fully or almost fully taxed away. If we operate on a selective basis, it is necessary to distinguish the poor from the non-poor, and therefore it requires a means test. The means test separates, on a discriminatory basis, the haves from the have-nots.

Over the years, the arguments against the means test have been legion, but I would like to bring a few of them before us. First of all, the stigma of poverty is a deterrent to many people who may need the help of a particular service but who will not apply for it. Second, economic conditions fluctuate. A family may need services or assistance today, but not tomorrow. By the time they get them, they no longer need them. This makes it impossible to have the right kind of service at the right time. Third, the means test contributes to the feeling of superiority and inferiority, thus widening rather than reducing social inequities. Fourth, services targeted to the poor are always fairly highly visible and thereby are constantly under attack for their cost, for their effectiveness and for other reasons. The more affluent get their benefits in a more discreet way through the tax structure, while the poor are forced to do it visibly. Fifth, the assumption is made that such benefits to the poor will assist them in becoming no longer poor. That, in itself, is false. That argument ignores the fact that poverty cannot be changed without making a structural change to society, limiting the opportunities of the wealthy to gather, to accumulate, more privileges. Therefore, selectivity claims that everyone should operate under the free market system; everyone, that is, except those who are in need. That is inconsistent with the social policy of all three Parties in this House.

Lately, we have been treated to a spectacle of debate within the Liberal Party, which has been playing to the media, television and radio. It is the debate about the future of Family Allowances and the future of social welfare programs on a national scope. The debate seems mainly to be on Family Allowances, but the results of that debate will be felt in all the social programs that are part of the structure of this country. It will also be felt by programs such as old age pensions and medicare.