

*Family Income Security Plan*

With these changes, Mr. Speaker, we think we will now have one of the most progressive and effective family income security plans yet devised.

**Mr. Jack Marshall (Humber-St. George's-St. Barbe):** Mr. Speaker, little did I realize yesterday when I asked the minister a question about the family income security plan that he would take such quick action. We welcome some of the inclusions in the plan. There was not much time for me to read the minister's statement carefully, but we welcome the elimination of the arbitrary \$10,000 cut-off point, which is in line with what most welfare critics, including the Canadian Council on Social Development, have advocated. We also welcome the fact that the number of children in the family and the ages of the children are taken into account. It is also pleasing to note that youth 16 and 17 years old are included, because there are problems with those in that age group. The rates for older children, those between 12 and 17, are also to be raised. It is also interesting to note that benefits will not be treated as income.

The minister's statement implies that the new family income security plan will do substantially more for families in poverty than either the white paper plan or the present family allowance scheme. From the bare outline the minister has given us, this seems very unlikely. Under the proposed changes the additional monthly income going to poor people will be negligible.

For example, the Family Service Association of Toronto conducted a study of 16 Toronto families in the lower-middle income group. It found that the basic costs of these families for shelter, food, clothing and compulsory wage deductions averaged 87 per cent of their total incomes. Under the proposed family income security plan the additional monthly income would reduce the percentage of total income needed to cover basic needs to 85 per cent. This is clearly an insignificant change and an ineffective anti-poverty tool. Furthermore, it has been estimated that, by taking inflation into account, the proposed family allowances would have the same value as allowances given when the program began in the 1940's. In nearly 25 years of operation the average family allowance payment per child has been increased by only 12 per cent, while the average weekly wage has increased by about 300 per cent during the same period.

A further issue concerns the inconsistency of the proposed distribution of family income security plan payments with the stated objectives of the Government and its emphasis on the needs of the poor, especially the working poor. First, there is the question of the inclusion of low-income individuals and families who are without dependent children and who are not covered by provisions for the aged and by general transfer payment schemes. This important gap has not been bridged by the proposed family allowance scheme; yet no alternative or additional measures for this group are mentioned. Second, the poor are not the major recipients of the payments to be made under the family income security plan. Two economists have discovered that, according to the white paper's 1972 income figures, 24 per cent of all

families with dependent children will have incomes of under \$5,000 while 46 per cent of such families will have incomes in the \$5,000 to \$10,000 range. Using the assumption that family size does not differ by income class, less than half of the payments will be received by families in the under \$5,000 group. On the basis of this information it is evident that the family income security plan has insufficient coverage of the real poor to be able to make any claim that it is an anti-poverty instrument.

• (11:30 a.m.)

It would be interesting to know if the minister has discussed the plan with the Quebec government to see if it fits in with their proposed plans in the area of social security. We will watch carefully the legislation that evolves from this program because surely this type of program to benefit the youth of our country is long overdue.

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) began by congratulating the minister on acting so quickly after a question had been put to him only a short while ago. I suggest that even the minister does not claim that this statement represents action. All he claims is that it is a progress report. In other words, just as the proposals regarding FISP in last December's white paper have been altered, we now have a document which is capable of further alteration as consultations and considerations continue. That is not something about which I criticize the minister. It is a good idea for him to do his thinking out loud, but we should all realize that in this document he has not pinned himself down to specific levels or proposals.

These are elements in this progress report that are still being considered, so it is not a firm document. As a matter of fact, I wish I had had time to count the number of times the minister used words such as "may", "might", "such as", "perhaps", "seems to be", and so on. These are all words and phrases that bear out my point that this is just a progress report and we should not act as though we have to vote tonight on the details of this statement.

Not only are there the uncertainties which are alluded to by the kinds of words and phrases I have just quoted, but the minister admits that this has to be looked at in terms of provincial programs. Although he did not say so, it is obvious that the whole question of section 94A of the constitution is involved in this matter. All told, we are still in an area of uncertainty. Perhaps I should welcome that because it gives us further time to make representations regarding this important phase of social policy. I say that not only for those of us in this House who would like to make representations but also for organizations outside.

One of the things that bothers me about this progress report is that I do not see in it any evidence that the minister took into account the recommendations of the Canadian Council on Social Development or the Canadian Association of Social Workers. Neither do I see any evidence of his having read the recommendations in the

[Mr. Munro.]