

They have been distributed, and the impact of that report upon the people of Canada has been truly amazing.

Honourable senators, we shall have to move towards a guaranteed income gradually, over time, just as we have moved gradually and over time towards what already amounts to a guaranteed income for the elderly, through the continually improving old age security and guaranteed income supplement program. I believe that the proposals I shall describe constitute progress. It is realistic to expect that they can be accomplished over the next few years and that they will have the support of the great majority of Canadians.

The purpose of a guaranteed annual income plan is to establish a basic minimum income below which no family unit would be allowed to fall. The method most often proposed for providing guaranteed income payments is the negative income tax. Under a negative income tax system payments are made to families and to individuals whose income falls below some basic level. The level of benefit paid is related to the income of the beneficiary and to family size. Supplements decrease as income increases. At a specified level of income, supplements decline to zero. At the zero supplementation level, regular income taxes are paid. Eligibility for such a plan is determined through an income test related to the income tax system rather than to the social welfare system. A guaranteed income plan could either replace the existing income support programs or, alternatively, could be used in combination with existing programs.

Discussion about reform of the social security system inevitably engenders debate over the universality of some programs. As the Economic Council of Canada has pointed out:

for some Canadians, any breach of the principle of universality, especially in contributory schemes, would be ideologically unacceptable.

Honourable senators, I have taken some comfort in the fact that I was a member of the Standing Senate Committee on Health, Welfare and Science which, in 1952, brought in the recommendations for universality. I think it has been a great boon to this country.

**Hon. Royce Frith (Deputy Leader of the Government):** Hear, hear!

**Senator Croll:** Honourable senators, for those who experience it, is poverty a lasting or a temporary condition? What type of individual or household is more likely to endure either "permanent" or "transitory" poverty? What programs are more likely to be effective in meeting these needs? The answers to these questions have an important bearing on the direction of government policy. Short-term measures, such as income transfers, are adequate to relieve temporary distress. Long-term measures, which include structural changes in the labour market as well as investment in education, training and special services, are needed to address persistent poverty.

In his budget speech, the Minister of Finance said:

I dedicate myself and this government in this and succeeding years to maintaining a fundamental sense of fairness in our society.

I know that he meant those words, honourable senators; I know him well.

In that same speech, the Minister of Finance identified five areas of priority in terms of economic development policy, one of which was "human resources." The minister went on to say:

In this decade of development, we must work together to renew the foundation for the fair sharing of wealth and opportunity that binds us together as Canadians.

Honourable senators, I agree with those words, and I also agree that human resources ought to be a vital area of concern. At present, the human resource which is not receiving a fair share of wealth and opportunity—the human resource which is largely cut off from a "fundamental sense of fairness in our society"—is that segment of our population made up of the elderly. At one time, the poor were not outside of the middle-class experience. Our blindness to poverty has developed over a period of many years. Once upon a time, almost everyone had to pass through the miserable housing of the poor on their way to and from work, but now prosperous Canadians live either in the affluent suburbs or in new or restored downtown dwellings which have no place for the unskilled, the unemployed, the elderly or the disabled. The development of our cities has in itself done much to remove poverty from the emotional experience of millions of middle-class Canadians.

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Perhaps the worst aspect of this invisibility is that it extends to politics. The dispossessed are the least able to speak for themselves, and they have no lobbies of their own. They do not belong to unions or political parties, so consequently they have no clout. They lack the social energy and political strength to transform their misery into a cause. They do not realize that they contribute that which each member of Parliament wants most in each constituency. They comprise eight, nine or ten per cent of the constituency's population. A couple of members of the House of Commons told me that as high as 16 per cent of the population of their ridings are aged.

The elderly continue their appeal for better treatment and more funds in the same fashion that their mothers and fathers did. They forget that they came into the world during the industrial age, they passed through the nuclear age and are now on the verge of the space age, yet they are still operating in the same manner they did years and years ago. They form clubs and associations and pass meaningful resolutions, which have both long-term and short-term purposes. In good faith, they pass them on to their representatives at all levels of government, and hope for the best. They also visit various members of Parliament and other public bodies to impress upon them their needs.

They try to do a good job of education, though their research is terribly poor. They do obtain the wholehearted support of their elected representatives, who actually promise them that they will do as much as they can—and they do. I have never met a member of Parliament who does not support them as best that he can.