

Oral Questions

and the progressive implementation, over several years, of an income supplementation program. Once again I emphasize that all that is in conformity with the working paper put forward by the federal government in 1973 and unanimously supported by the provinces.

[English]

Mr. Baker (Grenville-Carleton): How much did you pay for that speech?

NATURE OF PROGRAM TO BEGIN IN 1976

Mr. Edward Broadbent (Oshawa-Whitby): It is my understanding that a majority of the provinces do not take it as a conclusion that the program is going to begin now. Would the minister explain to the House the nature of the program beginning in 1976 and what development can be expected to follow from that program which will begin in 1976 and subsequent years?

[Translation]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I am sorry the hon. member could not attend the federal-provincial conferences. He would have seen that, contrary to the information he has just given this House, the majority of provinces did not share the opinion he indicated. On the contrary, the decision we reached at the conference was adopted by the provinces unanimously and it appears in the press communiqué released at the end of the conference.

TAX CREDIT PROPOSAL TO FINANCE GUARANTEED ANNUAL INCOME

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to put a question to the Minister of National Health and Welfare.

With respect to the guaranteed annual income proposed to the provinces and which seems to be creating a bit of a turmoil across the country, does the minister consider paying a guaranteed annual income to all Canadians and perhaps collecting the surplus as income tax under present fiscal regulations, so that those having a large income might pay the surplus back to the government and that poor families might keep the whole guaranteed annual income, which would increase their insufficient present income?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, this is one of the possibilities that was considered by the government, that is tax credits. However, in the proposal we presented at the federal-provincial conference, we chose the option of transfer payments.

● (1440)

However, the proposal put forward after consideration and experience does not exclude the possibility of altering the proposed program in a tax credit program. But such is not the proposal endorsed by the government at the conference.

[Mr. Lalonde.]

Mr. Caouette (Témiscamingue): Mr. Speaker, I should like to put a supplementary question.

Would the government consider, for example, the direct transfer of credit by the Bank of Canada which would then distribute the necessary sums to the provinces for the establishment of a guaranteed annual income?

Mr. Lalonde: No, Mr. Speaker.

[English]

COST OF GUARANTEED ANNUAL INCOME PROGRAM

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I ask a supplementary question about the alleged cost of the program. It has been alleged that the proposed plan submitted by the minister would cost between \$250 million and \$2 billion a year, or cost each individual Canadian taxpayer about \$300 a year. Would the minister clear this confusion, so that the Canadian people will know how much the minister's proposed plan may cost.

[Translation]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, it is obvious that it depends on the levels of payments granted to persons in need and on the reduction rates. I firmly believe that if my hon. colleague's party were in office all Canadians would have a guaranteed income which would not cost a single cent for the very reason that the benefits would be so low that they would be useless.

[English]

Mr. Alexander: A further supplementary question, Mr. Speaker. I understand that the minister said this program would cost between \$250 million and \$2 billion per year. I ask the minister bluntly, is that what he said during the conference of afterwards?

Mr. Lalonde: Yes, Mr. Speaker, once again I point out that the variation in costs depends on the level of benefits that would be agreed to between the provinces and the federal government and on the tax-back rate on those benefits. The net result is that type of variation.

BLIND AND DISABLED ALLOWANCES—DISCUSSIONS WITH PROVINCES TO ALLEVIATE PROBLEMS OF RECIPIENTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a supplementary question to the minister. As the guaranteed annual income has been postponed and is now a long way down the road, may I ask if the minister discussed the plight of some people living in conditions of extreme hardship; I refer especially to those receiving blind allowances and disabled allowances. Those allowances still do not exceed the national maximum of \$75. I realize that this is a provincial matter, but was it discussed, and, if so, can anything be done to alleviate the problems these people face?

[Translation]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, this problem has not been raised during the conference, but as the hon. member has very