



# Bulletin

Vol. 26, No. 30

July 28, 1971

## INCOME-SECURITY PLAN IMPROVED

*Before Parliament adjourned for the summer, Mr. John Munro, the Minister of National Health and Welfare, gave a progress report to the House of Commons on the improvements being made in the proposed Family Income Security Plan as a result of the extensive discussions held with the provinces in recent months. His statement follows:*

Visits were made to all provinces by the Minister and his officials at the time the White Paper was placed before Parliament last December, in order to outline and discuss the nature and scope of the federal proposals with provincial ministers and their officials. A federal-provincial conference of welfare ministers was held in January at which the proposals were further reviewed and the views of the provinces were obtained. On the basis of their suggestions and others that were received from interested organizations and individuals, the Government made a number of important changes in its proposals for the Family Income Security Plan. The Minister and his officials then visited the provinces again to discuss these modifications. Some further adjustments in the proposals resulted from these talks. Another meeting

of welfare ministers was held in early June to afford the provinces an opportunity to discuss these and other matters relating to income security. It is now expected that it will be possible to complete very soon this discussion phase inherent in the White Paper technique and to proceed with the drafting of legislation.

The Federal Government has endeavoured to ensure that the federal plan would fit into provincial priorities and social policies. This has been especially true in the case of Quebec, which is the only province that has a supplementary family allowance plan, administers its own youth allowances and has proposed a selective family allowance program along the lines of the federal plan. The suggestions from Quebec, as well as those from Ontario and a number of the other provinces, have been helpful in bringing about improvements in the federal plan. The plan will both complement and supplement provincial income security payments and services and will provide for effective administrative co-ordination with provincial programs.

### RESULT OF WHITE PAPER REVIEW

As a result of the review of the White Paper proposals with respect to the Family Income Security Plan, a number of points have become clear:

(1) The extension of the Family Income Security Plan to cover youth 16 and 17 years of age will be proceeded with now thereby replacing the youth allowances program.

(2) The Family Income Security Plan benefits will not be treated as taxable income.

(3) The White Paper suggested that benefits might be reduced by \$1 a month per child for each extra \$500 of income. The income "steps" that would result from this approach would create a certain disincentive for people to earn extra amounts that would put them on a lower "step". To smooth out the reduction rate and minimize this disincentive we

### CONTENTS

Income-Security Plan Improved .....	1
New Apple Markets Sought .....	2
NRC Throws New Light on Old Problem ..	3
Wood in Housing Display .....	4
Consumer Prices Up .....	4
"Nonsuch" at Ontario Place .....	5
Ministerial Changes .....	5
Compensation to Fishermen .....	5
Student-Athlete Grants .....	6
Monthly Index .....	7

think a more frequent adjustment is required, such as 30 cents or more for each extra \$100 of income or even a few cents for each extra \$10.

(4) To make the benefits selective, some threshold level of family income must be established below which full benefits will be paid and above which benefits will be reduced as income increases. Various levels have been considered for this threshold, including \$3,000, \$4,500, and \$5,000. On balance, the \$4,500 seems to be the most satisfactory level. The level of this income floor will need to be adjusted periodically as income levels change over time.

(5) As the number of children in a family rises, there needs to be some adjustments in the income floor and the income ceiling. It is proposed that the income floor be raised by an additional \$500 for each extra child in a family.

(6) The ceiling, or cut-off point, for benefits for all families above \$10,000 proposed in the White Paper will be eliminated. The ceiling for any family will depend upon the number of children in the family, their ages, and the reduction rate finally adopted. While the total number of families covered will be increased as a result of the changes planned, some families may be below and some may be above the ceiling that was set out in the White Paper.

(7) The White Paper proposed one maximum benefit rate - \$16 a month - for all children under 16, and did not indicate what might happen to the level of benefits for children 16 and 17. Now that the plan is to cover youth allowances it is proposed to have two different rates, one for those under 12 and the other for those 12 to 17, with perhaps a \$5-differential between their monthly benefits. This could mean that the maximum benefit rate could be slightly below the \$16-a-month figure for children 1 to 11 and higher than that rate for children 12 to 17.

(8) In order to make these improvements possible, an additional \$150 million will be recommended to Parliament under the Family Income Security Plan. With the plan extended to cover youth allowances as well as family allowances, this will mean that the total allocation of resources under the Family Income Security Plan would amount to about \$800 million.

#### NUMBER OF BENEFICIARIES

The new Family Income Security Plan embraces the anti-poverty concept of selectivity by placing substantially larger sums in the hands of low-income mothers, and at the same time preserves a measure of protection for middle-income families. It is estimated that approximately two-and-a-half million families will receive benefits under the revised plan, compared with 2.2 million families under the White Paper plan. About 900,000 families will receive the maximum benefits payable, compared with 640,000 families under the earlier version. This will include the children of the working poor and of families on assistance, including most of the 150,000 mothers who are by themselves raising more than 300,000

children. It will be particularly helpful to families in communities where the amount of social assistance being paid is relatively low....

With these improvements, we believe we have accommodated the wishes of the provincial governments. For example, we will be leaving sufficient flexibility for provinces to work out their own priorities as regards family policies. Increased benefits based on the selective principle will provide a substantial base on which provinces could build the kind of income-support plan for children they prefer - be this a flat-rate or income-tested supplementary family allowance program, a social allowances program related to needs, or one related to income that establishes a different income level for each family size.

\* \* \* \*

The Family Income Security Plan supplements the federal unemployment insurance program, permitting it to operate without impairing the incentive to work in the case of low-income workers with a number of children. The plan can be co-ordinated with provincial social assistance programs and can assist them in the application of the needs test. A FISP improved along the lines we have suggested can be dovetailed with the proposed Quebec Social Allowances Plan without interfering with its operations. It can also be co-ordinated with the complementary schooling allowances plan in Quebec. It is assumed that Quebec will continue to make the payments to youth 16 and 17 under financial arrangements with the Federal Government similar to those now in effect....

#### NEW APPLE MARKETS SOUGHT

Two senior scientists, Dr. William Mountain, Director of the Entomology Research Institute, and Dr. E.J. LeRoux, Assistant Director-General (Institutes) from the Canadian Department of Agriculture Research Branch, will help the Canadian apple industry open new markets in Australia, New Zealand and Japan.

They are travelling with Mr. A.J. Stanton, Acting Director of the Agriculture, Fisheries and Food Products Branch of the Department of Industry, Trade and Commerce, on a three-week technical mission sponsored by the Department of Industry, Trade and Commerce.

The two CDA scientists are concerned mainly with disease and insect regulations that prohibit the entry of Canadian apples into the Australian, New Zealand and Japanese markets.

While Japan is concerned about codling moths, Australia about fireblight disease and New Zealand restricts the importation of Canadian apples from regions where apple maggot occurs, the scientists believe they can demonstrate to these countries that importation of Canadian apples will not threaten their crops with these diseases and pests.



## NRC THROWS NEW LIGHT ON OLD PROBLEM

The first railroad in Canada was the Champlain and St. Lawrence Railway Company. In 1835, wooden rails, faced with iron strips, were laid to form a portage link round the Richelieu Rapids in the water route between Montreal and New York. A Dorchester, five-ton steam engine, imported from England, made the first trip over those primitive rails the following year.

Since the dawn of the railway era in Canada 134 years ago, both modes of land transportation have grown immensely until today there are over 517,305 miles of roadways and more than 43,613 route-miles of tracks.

Wherever road meets rail there occurs either an elevated crossing or a level crossing. Today there are 33,963 level crossings and, with 8,255,000 automobiles on the highways, the chances of a car-train collision are more than remote.

### CAR-TRAIN ACCIDENTS

In 1969, the last year for which complete figures are available, there were 343 instances of such collisions. Also, 15 persons were struck at highway crossings and 115 pedestrians struck at points other than crossings. There were 45 car-train collisions at points other than crossings.

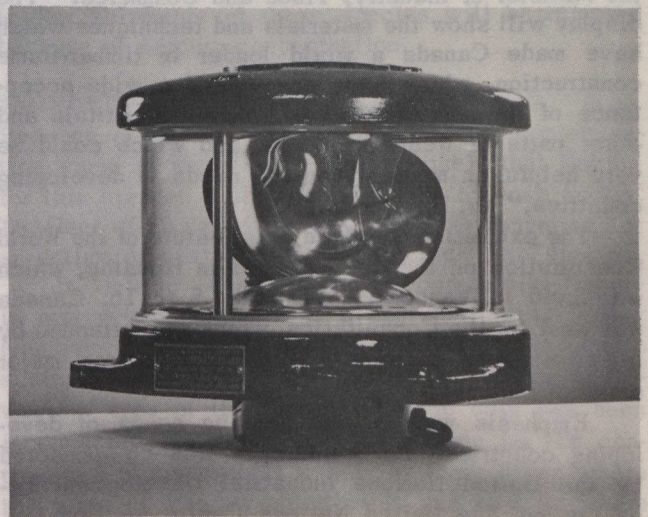
The death toll for that year was 103 occupants of vehicles killed and 358 injured: eight pedestrians died, and eight were injured. The number of railroad passengers and employees injured stood at 18.

The death and injury totals for other years were generally higher since 1969 was considered to be an abnormally low accident year.

Thousands of lives have been lost and millions of dollars in property damage caused as a result of the intersecting of these two modes of transportation.

### NRC'S NEW BEACON

Working on the theory that accidents might be reduced if motorists had a better chance of noticing oncoming trains, engineers of the National Research Council of Canada have developed a railroad-locomotive warning beacon. Its lamp brightness, ruggedness of construction and its ability to impinge on a viewer's peripheral vision and thus command attention is such that NRC believes it is superior to any locomotive beacon on the market today.



NRC's high-powered train beacon

The prototype instrument was developed in the Manufacturing Technology Centre of the Division of Mechanical Engineering after a request was made for research assistance into railroad beacons by Canada's two major railways and the federal Board of Transport Commissioners, now the Canadian Transport Commission. Westhill Industries of Montreal, a metal-processing firm whose main interest is manufacturing aerospace products, was awarded a competitive contract for production of an initial order of 50 units to be used for experimental test purposes.

#### LAMP'S SCREAMING BRIGHTNESS

The brightness of the NRC lamp is greater than any on the market today. The usual "gull-wing" reflector that splits a beam of light in two, thus halving its intensity, has been eliminated. Through the use of a single reflector the lamp is able to transmit total available candle-power.

E.S. Moore, head of the Manufacturing Technology Centre, believes that the best aspect of the new lamp is the fact that it has been engineered with special emphasis on biological effects of the sweeping beam of light on an observer. Tests were undertaken to determine the rate of sweep for the beacon that would best command attention.

"This beacon registers strongly on your peripheral vision," Mr. Moore says. "It literally screams at you that a train is coming."

Armand Boisclair, President of Westhill Industries, estimates the market potential in Canada is some 5,000 units with a unit selling price of \$125. Preventing one accident like the 1967 schoolbus-train collision at Dorion, Quebec, that took the lives of 26 children, would pay for all of the beacons in one shot, he says.

#### WOOD IN HOUSING DISPLAY

An international exhibition illustrating the use of wood in housing was opened in Vancouver on July 5 by Mr. Bruce Howard, Parliamentary Secretary to the Minister of Industry, Trade and Commerce. "The display will show the materials and techniques which have made Canada a world leader in timber-frame construction, which have encouraged a wide acceptance of the use of wood in housing in Britain and other parts of Western Europe, and which could be very helpful in meeting housing needs in developing countries," Mr. Howard said.

The exhibition was held as a feature of the World Consultation on the Use of Wood in Housing, which was held in Vancouver from July 5 to 16. Canada was host for the Consultation, which was attended by representatives of more than 50 nations from major areas of the world.

Emphasis was on the housing needs of developing countries. The conference was co-sponsored by the United Nations Industrial Development Organization, the United Nations Centre for Housing, Building and Planning and the Food and Agriculture

Organization of the United Nations.

Canada's Department of Industry, Trade and Commerce organized the exhibit in which there were also displays from the United States, New Zealand, Norway and the International Union of Forestry Research Organizations.

#### CONSUMER PRICES UP

From April to May, consumer price indexes rose in all ten regional cities and city-combinations, with increases ranging from 0.2 per cent in Edmonton-Calgary and Vancouver to 0.7 per cent in Toronto. Food indexes advanced in all cities, with higher quotations registered for fresh produce items and restaurant meals in most of the centres surveyed. The components for housing and for clothing each moved up in eight cities, the former chiefly owing to higher prices for home furnishings and the latter mainly in response to increased prices for men's wear. The tobacco-and-alcohol index also moved up in eight cities as a change in package weight for cigarette tobacco resulted in an effective price rise in most cities across the country, and higher beer prices were recorded for the southern Ontario centres of Ottawa and Toronto. The transportation, the health-and-personal-care, and the recreation-and-reading components registered mixed movements across the country.

#### REGIONAL CITIES

The consumer price index for St. John's, Newfoundland increased by 0.4 per cent in May and stood 1.5 percent above its level of a year earlier.

The all-items index in Halifax increased by 0.6 per cent in May to reach a level 1.1 percent higher than it was in May 1970, while in Saint John, New Brunswick the index rose 0.3 per cent in May to reach a level 1.2 percent higher than its level a year earlier.

Higher food prices were chiefly responsible for a 0.4 percent increase in the Montreal all-items index. At its May 1971 level of 126.4, it stood 1.6 percent higher than it was a year earlier. In Ottawa the consumer price index increased by 0.6 per cent in the latest month to a level 2.4 percent above that of a year earlier, and in Toronto the all-items index increased by 0.7 per cent, which contrasts with an increase of 1.3 per cent in the 12 months ending May 1971. From April to May, the Winnipeg consumer price index rose by 0.4 per cent to reach a level 0.5 per cent higher than that of a year earlier.

In Saskatoon-Regina, the index increased by 0.4 per cent in May to reach a level 0.6 percent higher than it was in May 1970; the index for Edmonton-Calgary moved up by 0.2 per cent in May to reach a level 2.3 percent higher than the May 1970 level, while in Vancouver the index rose by 0.2 per cent since the previous month. At its May level of 126.4, it was 2.4 percent above its level of 12 months ago.

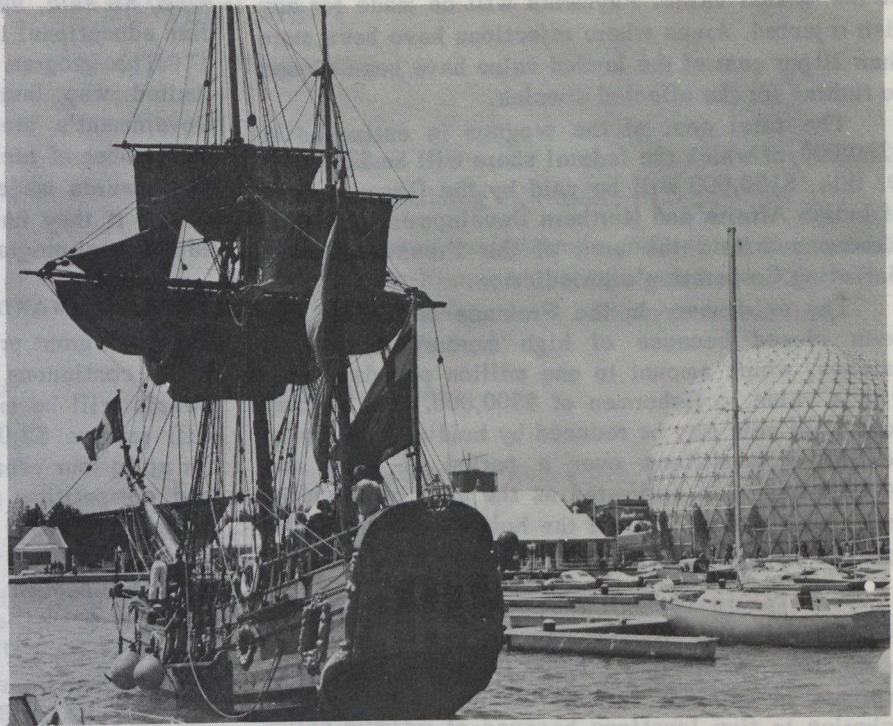
## "NONSUCH" AT ONTARIO PLACE

The *Nonsuch*, a copy of the Hudson's Bay Company's first ship, berthed at Ontario Place, the new entertainment complex in Toronto, for 12 days in June, providing much interest to the many visitors who boarded her.

The original *Nonsuch* was a 53-foot ketch whose historic voyage from the River Thames in England to the New World in 1668 resulted in the opening of Western Canada to commerce and led to the incorporation of the Hudson's Bay Company on May 2, 1670.

Plans and specifications for the new *Nonsuch*, prepared under the supervision of Rodney Warington Smyth of Cornwall, England, took over five months of research and development. He obtained his information from Hudson's Bay archives, seventeenth century models and paintings, and accounts of ship-building techniques housed in the National Maritime Museum at Greenwich, England.

The building of the *Nonsuch* called for revival of old skills now rapidly passing out of use. Some of the tools needed could no longer be found and had to be recreated, based on originals displayed in the



National Maritime Museum. The vessel was launched on August 26, 1968, at Appledore, Devon.

Although the ship has the authentic appearance of a 300-year-old sailing vessel, the new *Nonsuch* has an electrical supply system, a 100-horsepower diesel engine to help her manoeuvre in and out of port, and an up-to-date galley.

## MINISTERIAL CHANGES

The Prime Minister has announced that the new Ministry of State for Urban Affairs has been officially established by proclamation and that Mr. Robert Andras has been sworn in as Minister of State for Urban Affairs. The order-in-council relating to the establishment of the Ministry was approved recently by the House of Commons.

Mr. Joseph Julien Jean-Pierre Côté has been sworn in as Postmaster General and Mr. Jack Davis Minister of the Environment, pursuant to the Government Organization Act 1970 which received Royal Assent on June 10.

## COMPENSATION TO FISHERMEN

A 1.5-million assistance program has been introduced for Canadian fishermen and processors whose business has been hurt by contamination of fish by mercury in both Atlantic and inland waters.

The Minister of Fisheries, Mr. Jack Davis, announced recently that cash payments would be made for commercial shipments of fish found to be unsafe for human consumption, and said that special projects

would be undertaken to help fishermen to convert vessels and gear for alternate fishing operations.

The commercial lots or shipments of fish — all in the Maritime Provinces — condemned by the Inspection Branch of the Fisheries Service have been taken off the market. A total of \$617,000 will be paid for rejected fish, mostly swordfish and tuna, but including some halibut. It is not expected that any further shipments of those species will be rejected because of mercury-contamination.

## SWORDFISH SECLUDED

Because of the excessively high mercury contamination found in swordfish, it is not likely that fishing for this species will be resumed out of Nova Scotia. The fleet of 70 swordfish boats will be converted, at an estimated cost of \$185,000, to catch other species.

In Ontario, where the major commercial fishery is now getting under way, a cost-sharing agreement has been reached with the provincial government to sustain fishing operations, particularly in the north-western area of the province, where data has been incomplete. The program is to provide for the continuation of commercial fishing on those lakes where the level of mercury-pollution is unknown, or where rejections owing to mercury do not exceed 20 per cent

of the landed value. Payments will be made for any fish rejected. Areas where rejections have been more than 20 per cent of the landed value have been closed to fishing for the affected species.

The total cost of the program is estimated at \$250,000, of which the federal share will be \$200,000. Of this, \$150,000 will be paid by the Department of Indian Affairs and Northern Development to Indian fishermen within the area of the Freshwater Fish Marketing Corporation's jurisdiction.

The eel-fishery in the Province of Quebec has been closed because of high mercury content in catches, which amount to one million pounds a year with a value to fishermen of \$500,000. The mercury content of eels may be reduced by holding them under controlled conditions over a period of time, and \$40,000 has been estimated as the cost of providing testing facilities to see if the holding of commercial lots of eels will be feasible.

#### NEW PROGRAMS

In Manitoba, where about 1,000 fishermen have been deprived of earnings through closure of commercial fisheries in five locations because of mercury-pollution, cash relief in the form of loans was provided last year. This year, it is proposed to employ fishermen from the affected areas in programs designed to diversify the traditional fishery.

One hundred fishermen will be employed and trained in boats equipped with new types of fishing-gear for the purpose of harvesting new stocks of fish not previously marketed to any significant extent. The \$245,000 cost will be borne by the Federal Government. Other fishing operations will be carried out in certain closed areas and the catches monitored to determine whether these waters can be opened again to commercial fisheries, at a cost of \$123,000. A \$30,000-project will apply research carried out by the Freshwater Institute in Winnipeg to see if over 100 Manitoba pot-hole lakes are suitable for fish-farming.

#### STUDENT-ATHLETE GRANTS

The names of 392 Canadian student-athletes who will receive 1971 grants-in-aid were announced this month by the Minister of National Health and Welfare Mr. John Munro. An additional and final list of recipients will be released shortly.

Mr. Munro said that one primary purpose of the grants was to assist Canadians who wished to combine both their educational and competitive careers. He noted that the training and competitive demands on Canada's best young athletes left little opportunity for them to raise funds for educational purposes.

Also, he said, such awards should encourage Canadian educational institutions.

The program of assistance was initiated in a limited way last year, but owing to the Federal Government's program to assist students this year, the number of recipients has been greatly increased. The awards made to recipients in 1970 will be renewed if they have continued their competitive and educational programs.

#### TYPE OF AWARDS

The 1971 grant program includes two categories. One is a continuous plan, under which 70 renewable awards will be made. The top 30 applicants chosen will receive \$2,000 each, which may be renewable for up to four years if they continue their educational and competitive programs. The next 40 awards are valued at \$1,000 and may be renewed for one additional year.

The second category represents awards made from the \$1-million fund made available through the Government's 1971 summer program for students. The recipients represent some 35 sports and their grants total about \$523,000. All grants in this class are non-renewable and are valued at \$500, \$1,000 and \$1,500, depending on whether the recipient is in high school, community college or university. Payment will be made when the Department has received notice from the recipient's school or university confirming acceptance as a full-time student. Unless there are extenuating circumstances, recipients must attend Canadian institutions.

Two special projects are featured in the 1971 grant program.

Seventy awards will be made to student-athletes in the Atlantic Provinces. Recipients will be expected to attend a special course at Dalhousie University in Halifax later this summer. The course will include measurement, testing and individual training programs under a highly qualified staff. This experimental project has been designed to improve the calibre of the young athletes in the Atlantic Region.

In addition, over 1,000 applications were received by Hockey Canada and the Fitness and Amateur Sport Directorate from hockey players who wished to pursue or continue their studies. Hockey Canada's Student-Athletes Award Committee is making recommendations regarding the recipients. This will allow hockey to expand its grant program to include some 85 student hockey players.

It is expected that many of the recipients will be involved in summer projects of sports-governing bodies designed to strengthen and improve sports participation and the quality of Canadian sports generally. Such projects also adhere to the philosophy of the Government's program for students by enabling them to be free from the regular summer labour market.

## MONTHLY INDEX

(July 1971, Volume 26)

- Arts (*see also* Exhibitions)  
 Stratford Festival 71, No. 28, P. 5
- Australia *see* Trade
- Budget *see* Finance
- China *see* Trade
- Conservation *see* Natural Resources
- Constitution and Government  
 Ministerial changes, No. 30, P. 5
- Consumers Affairs  
 Consumer prices up, No. 30, P. 4
- Construction *see* Exhibitions *and* Grants and Awards
- Culture *see* Exhibitions
- Cyprus *see* Peace-keeping
- Education *see* Grants and Awards
- Exhibitions  
 Agency for Cultural and Technical Co-operation  
 handicraft display, No. 27, P. 4  
 National Ballet at Ontario Place, No. 29, P. 2  
 Nonsuch at Ontario Place, No. 30, P. 5  
 Wood in housing display, No. 30, P. 4
- External Affairs  
 Mr. Sharp reports on international meetings,  
 No. 27, P. 1
- External Aid  
 Caribbean agriculture loan, No. 28, P. 3  
 Power project in Malaysia, No. 29, P. 5
- Finance  
 Budget and tax reform, No. 28, P. 1
- Fisheries  
 Compensation to fishermen, No. 30, P. 5
- France *see* Industry
- Grants and Awards  
 Massey awards for urban design, No. 27, P. 4  
 Student-athletes grants, No. 30, P. 6
- Health and Welfare  
 Ban on cigarette advertising, No. 27, P. 3  
 Hospital costs study, No. 28, P. 4  
 Income Security Plan improvements, No. 30, P. 1
- Housing *see* Grants and Wards
- Indians and Eskimos  
 Indian community development plan, No. 27, P. 5
- Indonesia  
 Nickel-mining in, No. 27, P. 5
- Industry (*see also* Indonesia *and* Natural Resources)  
 Canada-France shipbuilding pact, No. 28, P. 3  
 Helicopter-simulator built by Montreal firm,  
 No. 27, P. 4
- Japan *see* Trade
- Law  
 Protection of Privacy Act, No. 29, P. 1
- Metric System  
 Conversion commission established, No. 27, P. 6
- National Defence (*see also* Peace-keeping)  
 Army cadet exchange, No. 28, P. 6
- National Research Council *see* Science
- Natural Resources  
 Mining productivity, No. 29, P. 6  
 Study of wildmess rivers, No. 27, P. 6
- New Zealand *see* Trade
- Northern Affairs (*see also* Natural Resources)  
 Information teams to visit Arctic, No. 29, P. 4
- Peace-keeping  
 Canadians in Cyprus, No. 27, P. 5
- Peru *see* Trade
- Pollution (*see also* Fisheries)  
 Parks clean-up contest, No. 28, P. 4
- Post Office  
 "All-Up" international mail, No. 29, P. 5  
 Transportation stamp, No. 29, P. 4
- Science  
 NRC's new railway beacon, No. 30, P. 3
- Taxation *see* Finance
- Trade (*see also* Industry)  
 Apple markets sought in Australia, New  
 Zealand and Japan, No. 30, P. 2  
 Mission to China, No. 29, P. 3  
 Trade fair success, No. 28, P. 6  
 Wheat to Peru, No. 29, P. 2
- Transportation (*see also* Industry, Post Office  
*and* Science)
- Trudeau, Pierre Elliott  
 July 1 message, No. 29, P. 3
- United Nations *see* Peace-keeping

