January 16, 1986

with the unhappy circumstance of appearing to be cutting funding not only to poor families over the long term, the five or six year period for which I quoted statistics, but is also leaving the appearance of pulling the very small amount of money for the child allowance from families who have a missing child, apparently providing no compensating assistance through legal or search means to help those families who are already under great stress, both emotionally and financially. I regret that the Government has not seen fit to provide some recognition of the need for funds and resources in that regard.

Mr. Len Hopkins (Renfrew-Nipissing-Pembroke): I rise to speak again on Bill C-70. This Bill provides for the deindexing of family allowances. I was interested in the lecture which the House just received a short time ago from the Hon. Member for Champlain (Mr. Champagne) on truth and honesty, two very important subjects. I have here in my hand a Tory ad from 1980 which has been quoted. I think it deserves repeating at this time in light of the Hon. Member's comments. This Tory ad spoke about deindexing as follows:

-deindexing is a form of taxation that would have staggering consequences for every Canadian taxpayer, especially the low-income earner—deindexing is a scheme to guarantee that you'll pay higher federal income taxes year after year.

We also have the Prime Minister (Mr. Mulroney) on record saying he would not pay off the deficit by attacking social programs. What are we doing here today, Mr. Speaker? We have a deindexing Bill on family allowances. It is a social policy and this legislation is providing for the deindexing of family allowances.

The main thrust of the Tory Budget of May 23 was that of a classical Conservative document. It aimed at widening the disparity between the rich and the poor. The Tory Government has broken many of its promises with this Budget. The Prime Minister and the Minister of National Health and Welfare (Mr. Epp), whom I am glad to see in the House at the present time, promised to maintain over-all social spending by not using social program funds to reduce the deficit and maintain the universality of programs for seniors and families. However, what do we have? We have an erosion of the family benefits package, which means less benefits by 1990 to low and middle-income families. This is not a short-term measure by any means.

We have had increased consumer and gasoline taxes. I remember in the last Parliament and in previous Parliaments that every time fuel prices went up we would hear those screaming speeches from the Tory opposition benches. Now the Tories increase taxes on gasoline and other fuels without even batting an eyelash. I wonder where all their self-righteousness has disappeared to. I give you this, Sir, in the light of the speech made by the Member from Champlain on truth and honesty. The people of this nation have come to realize where the Government stands when it comes to keeping promises and being honest with them.

It is interesting to note in this debate, Mr. Speaker, that several Conservative back-benchers have stood in this House and read off petitions from their constituents asking that the

Family Allowances Act, 1973

family allowances not be deindexed. These Tories are doing their duty as Members of Parliament for their constituents, but how are they going to vote when the final decision comes? Will they vote against their constituents on whose behalf they have stood to read petitions? It will be a very interesting moment, Mr. Speaker.

The Government is famous in passing costs back to the provinces. This has been done with transfer payments, by cutting grants and by putting the onus on individual taxpayers, by throwing Department of Transport facility costs back to local municipalities, and by increasing taxes at the individual homeowner level where it affects all families directly. The Government says it is doing it in the interests of the deficit. I suppose that is a very honourable aim.

We have seen the Tory Government bail out the Canadian Commercial Bank and the Northland Bank to the tune of \$875 million through a special Bill to pay back depositors in those banks whose money was not guaranteed. That does not include all the depositors who had \$60,000 or less in the banks, who have to be paid off too. That was a billion dollar bill. How does the Government pick up that money? By deindexing family allowances and, in the long haul, deindexing child tax credits; by cutting Government services; by pushing expenses back onto the provinces and the municipalities; and by letting civil servants go, although I understand the Government has slowed up considerably in that regard because it found that that was not very practical. The Government has also meddled with the unemployment insurance policies by taking severance pay which people earned during working days and classifying it as income to stop payments of unemployment insurance. Then we have the Armed Forces. People are required to retire while children are still in school. That severance pay is counted as income, and the individual cannot collect unemployment insurance, insurance that has been paid for ever since it was first introduced into the Armed Forces. That is not fair.

We come now to the hatchet man himself, the Deputy Prime Minister (Mr. Nielsen). As we know, he is the chairman of the review committee of Cabinet. A better title would be: "chairman of the chopping block". He is the one who is going through all Crown corporations and Government departments to find out where he can cut next. What has he found on his travels? On many military bases across the country we have schools for the families of military personnel. The Deputy Prime Minister and Minister of National Defence, the man in charge of chopping, has an ongoing review of these Department of National Defence schools. What is the aim of this review? The aim is to slough off the children of DND personnel onto the local county or regional administration, to get rid of the schools. He is not interested in the children of those families who have to move from posting to posting, sometimes as many as six or seven times during their first eight years in school. He is going to throw them into a standard county system where the other children attend school day in and day out for several years at a time. These students will have to find their own way in that crowd. With schools on military bases, the teachers are familiar with the problems, and the school-