

Income Tax Act

low and middle-income families with a tax credit of \$454 per child. Through financial belt tightening we have continued to show since 1984 that our Prime Minister (Mr. Mulroney), our Cabinet and Members on the government side care. That is why we are here. That is why we were elected. That is why the Hon. Member for Okanagan North who just spoke so capably invests his time here. We want to show collectively that we care—and we do. I know that Hon. Members want to applaud my comments but time does not permit.

Some Hon. Members: Hear, hear!

Mr. Fretz: Previously, recipients have had to wait for their benefits until after the filing of their income tax returns in the spring. They have had to wait for months and months. We simply decided that we would change that. We decided that we would introduce legislation to change it. In the near future families will receive the \$300 tax credit. Payment will start in November of this year. That is great news. Apart from the financial assistance it will provide to low-income families there will be no red tape. In fact, there will not even be any blue tape. These families will not have to wait. There will be no fuss, no muss, no bother. It is a simple formula. There will be no need for these families to register. They will not have to get into a big lineup to register for these payments. The payments will be forwarded to the recipients of the family allowance. It will be done before Christmas. Is that not great? Who could not use some hard, cold cash at that time of the year?

I ask Hon. Members to imagine just what this windfall will do for some people. I know there are all kinds of pictures being conjured up in the minds of Hon. Members. Perhaps I could illustrate a few for the House. One consists of presents under the Christmas tree, or in a stocking that hangs from the mantle. This payment will enable the purchase of new winter clothes that are so desperately needed, or perhaps a nice juicy, plump turkey. In the winter there are extra heating bills and the kids sometimes need new shoes. My kids are grown up but I do have five grandchildren. My wife just gave a cheque to our daughter-in-law to buy a new pair of shoes for one of our grandchildren. I know how much shoes cost. So this \$300 will go a long way. Perhaps some of the money can be used to purchase a new set of tires for the old heap out in the garage.

What we are doing is filling needs for the people of Canada. Not only will we fill needs, but this measure will plough cash back into the economy. This will create a spinoff which continues to help the economy.

Why do we do this? Why would we do this? We do not have to do this. I am sure Hon. Members have other things they can do. The Minister did not have to bring in this measure. We did it simply because we care, because we are compassionate and because we have big hearts. There is no doubt that the family whose gross income is less than \$15,000 a year is continually hard pressed to make ends meet. It is difficult to meet all of the needs. The cost of raising a child to the age of 18 has risen dramatically, as precious as they are to us. I know how much I appreciate my family. I have three grown sons who are

married and who have given me five grandchildren. I love them all. Those of us who are parents are fortunate.

Aside from daycare costs, which I am sure low and middle-income families cannot afford, the costs of raising children are skyrocketing. The final financial tally amounts to somewhere in the neighbourhood of \$70,000. That is a lot of dough in any person's language. I have drawn these figures from a study done in 1984. Three years prior to that, that is, 1981, the costs had increased by \$10,000 for items such as clothing, food and housing, which placed pressing demands on household finances. Thus, the early payment of the child tax credit will help to alleviate a little of this burden.

Moreover, I am pleased to point out that in 1987 the child tax credit will be increased to \$489. In 1987 it will be increased to \$524. This will amount to savings right on up the line.

Some Hon. Members: Hear, hear!

Mr. Fretz: The Government has committed itself to improving and assisting the financial condition of low and middle-income families. I am pleased to see the Deputy Prime Minister (Mr. Mazankowski) in the House today. When I first came to this place in 1979 the man who put his hand on my shoulder and said, "Girve, we want to welcome you into the House of Commons," was the present Deputy Prime Minister. He helped me greatly. I have looked up to him since because of the fine person that he is. It is because of people like him that we have responsible legislation today.

Some Hon. Members: Hear, hear!

Mr. Fretz: I wish to outline to Hon. Members the results of some measures we have undertaken. Through the continual efforts of the Prime Minister and of the Cabinet we now have lower unemployment in our country. This means that hundreds of thousands of jobs have been created. This means that men and women who have not worked for years and years are back to work. That is important. This means that there will be lower interest rates. What does that mean to the average person? It means lower priced homes. It means fewer dollars are being paid for mortgage interest. It means lower costs for capital equipment and investment by companies which wish to invest in their firms. This means lower inflation. It follows, then, that food costs will be lower, as will the costs of all consumer items. Everyone can appreciate that. This also means that there will be more housing starts. In some places not only is the housing industry flourishing but it is virtually booming. Such a boom creates jobs for the trades people who work in homes. I refer to carpenters, roofers, bricklayers, plumbers, electricians, furniture manufacturers, and the list goes on and on. These people are now working.

There have been strong and forceful measures to ensure that the debilitating debt of billions of dollars faced by our Minister of Finance (Mr. Wilson) can be brought under some control. I am pleased to see that the Minister of Finance is in the Chamber today to listen to my speech. This debt was caused