

*Family Allowances Act, 1973*

nineteenth century philosophy, recognized that there is a problem in this country.

Willy Brandt, the former Chancellor of West Germany, former Mayor of Berlin, head of the socialist party, a respected Chairman of the North-South Committee on the problems between the developed and developing world, was here last week.

Mr. Brandt made a good point that all Members should consider when thinking about this amendment, this Bill and the six and five policy. He said that workers and ordinary people are prepared to sacrifice. The people in my riding are prepared to sacrifice, but they want the sacrifice to be just. They want it across the board.

We have been given what I call the Coutts-Davey phony program of six and five, a grasping at straws. As we in this Party said, it will first fall on the public servants, then Public Service pensioners, the old people, and now even the children will have to bear the burden. Under this system, it will be the consumer, the worker, the retired public servant and the children who bear the burden. Is that fair and just? That is what this Bill is about.

This is not complicated. Family Allowances are indexed to help people keep up with the rise in the cost of living. According to the *Financial Post*, not some socialist pamphlet, we are going to have an inflation of about 8.9 or 10 per cent. Therefore, families will have to pay 8.9 or 10 per cent more for the boots, clothes, ski suits and everything else for their children while their Family Allowance has been restricted to 6 per cent.

One does not have to be a financial genius to know that if the inflation rate is 9 per cent and the Family Allowance is restricted to 6 per cent, there will be a 3 per cent gap and people will lose. Instead of being better off, they will be poorer. The answer of the Government is that they are helping to fight inflation. Do we want to fight inflation on the backs of the children and retired Government employees? Is that where we want to fight inflation? I am not an expert in this area.

**Miss Bégin:** It shows.

**Mr. Waddell:** I heard the Minister. I am giving very simple facts. I acknowledge that. However, I know a little bit about energy and I know that there will be a 30 per cent rise in the cost of energy. I stood up in this House and asked the Energy Minister (Mr. Chrétien) about capping the price of gasoline at 6 per cent. I suggested six and five for that. He said that could not be done. However, they say we can cap the Family Allowance.

[Translation]

Mr. Speaker, I see that clause 1 of this Bill would limit the indexation of family allowances to 6 per cent in 1983 and 5 per cent in 1984. Prices will go up 9 per cent, but we are going to increase the indexation of family allowances by only 6 per cent. As an ordinary citizen of Vancouver, I figure that as a result, families in Quebec and elsewhere in Canada will lose money. I am saying to the Liberal Party that they are being

unduly harsh with families in Quebec and that they are creating difficulties for them.

**Miss Bégin:** And as well for families with a \$30,000 income. Does the Hon. Member want a kleenex?

[English]

**Mr. Waddell:** The Minister knows that it is difficult for the family. She knows she had to agree to stay in Cabinet. The two great socialists sitting there, at least they think of themselves as socialists in the Cabinet, they are great socialists. I put this directly to the Minister. She is sitting there with the Minister of Public Works (Mr. LeBlanc). They pride themselves as being sort of on the left of the Cabinet. Let me put this to the Minister directly. They have agreed to \$8.7 billion in the next five years going into petroleum incentive program grants to the oil companies. They have agreed to a 30 per cent raise each year in the price of heating fuels, which will affect old people. I notice they are not heckling me any more. They have agreed to that raise in the price of heating fuels, which will hurt families with children.

• (2150)

[Translation]

**Miss Bégin:** Mr. Speaker, would the Hon. Member for Vancouver-Kingsway (Mr. Waddell) entertain a question?

**Mr. Waddell:** Certainly.

**Miss Bégin:** I thank the Hon. Member. I wish he would tell me why he is against a bill which will increase the rate of indexation, but only by 6 per cent, for one-child families with an income exceeding \$26,330 and up to \$40,000. I am aware that the New Democratic Party now represents very wealthy people who are protected by strong unions, but not ordinary Canadians. Is he against a bill which will limit to 6 per cent the rate of indexation for families earning more than \$26,330? Is that what he has the nerve to tell Canadians this evening?

**Mr. Waddell:** In French!

[English]

Maybe I will explain it in English. There are a number of reasons. One reason is you are taxing it back. That is what I said in my speech, if you had listened at the beginning. There is not a fair system of taxing it back. Another reason is the child tax rates for one year, on a one-year basis. Another reason is that these families will be affected, and they need the money also.

I want to put a question to the Minister. Why would the Minister agree to a program that would give Dome Petroleum \$500 million? The Minister has to decide this in Cabinet. You have to get your priorities straight. Why would you give Dome Petroleum \$500 million and take away from the families of Canada? I do not understand that.

I would like to ask the Minister this: if you really wanted to have a program which would deal with inflation, why not control prices? Why go after wages? If you go after wages you