Family Allowances

the power of government should be used. It is not an improper position in any way.

I have certain little anxieties that in this measure we are, to a degree, assaulting the principle of universality and moving in effect, if not by declaration, back toward something a little closer to the means test mentality. That is something which has always upset me because I began my political career 22 years ago, when we had to deal with all sorts of senior citizens in this country who would ask the Conservative candidate, "Is it true that if you win we shall lose our old age pension?" That is something I shall never forget. It was a very mean abuse of our older people. I have a deep-seated emotional anxiety about that. Perhaps if I were back in university I might be tempted to use the word "syndrome". But what is becoming increasingly apparent—and I noticed it earlier this afternoon when my colleague from York-Simcoe, who has a calculator here—and the Minister of Finance has one over there—was engaging in a discussion about, as I recall, de-indexing, non-indexing and re-indexing. I am not a geronton by any means but I have been here a long time and one thing I am certain has happened—this is no cause and effect relationship; I have watched it—is that our legislative measures are becoming constantly more complicated.

I predict to both ministers that there will be trouble ahead in interpretation; there will be trouble ahead in administration. And I always believe it is basically a bad thing *a priori* if you confuse, compound and complicate the relationship of a citizen with his government. That is most assuredly going to happen with this measure. God knows that the Minister of Finance deserves credit for being persistent, and I am quite sure that he will continue to make predictions. I am also sure that as month follows month it will be discovered that the hon. member for York-Simcoe is far more capable of predicting the future than is the minister.

● (1652)

I do not applaud the elaborateness which is coming into this measure. The Minister of National Health and Welfare is a Canadian with a very highly developed social conscience, and I think the intent of this measure is not at all bad, but I have a feeling that as it is administered the Canadian people will find that it is not nearly so great a measure as the Minister of Finance proclaimed it to be in his opening paragraph.

Mr. Chrétien: Mr. Chairman, I want to reply to three points made by the hon. member. There is no means test at all. No bureaucrats from the Department of National Health and Welfare will be moving into houses, looking at people's assets and so forth. There is no danger of that.

The universal aspect remains, but we are trying to target surplus funds to areas where they are needed. I recognize that the system will be more complex, but we have to live with that if we want to achieve our goals.

Mr. Friesen: Mr. Chairman, I would like to say to the Minister of National Health and Welfare that my fears are not at all allayed by her remarks about who will be allowed to

[Mr. Macquarrie.]

claim family allowance cheques. When I was working on my private member's bill regarding parental kidnapping, I discovered that it really is possible for husbands to abduct their children and get family allowance cheques, even though they are not granted custody. That has happened. The minister shakes her head. I will send her a copy of the correspondence which indicated that to me.

My question is really to the Minister of Finance. I listened to his response to the hon. member for York-Simcoe, and in his response he used the term "self-financing". I want to make sure I heard him correctly. The government collects taxes from Canadians across Canada and, to use a favourite word of the Minister of National Health and Welfare, "redistributes" that revenue in $20 cheques per child and in $200 tax credits per child. Does the minister consider this continuous accumulation of tax revenues and continuous redistribution to families across Canada to be a self-financing proposition?

Mr. Chrétien: Mr. Chairman, if we look at both sides of the ledger we find that we are reducing some payments and changing some exemptions in order to introduce refundable tax credits. The two are in balance.

I said earlier that at the end of the year there will be a difference of $35 million, that difference representing more cash in the hands of the government than before. The hon. member for York-Simcoe asked me to use my calculator. Using all the assumptions he has made, the amount will be $45 million rather than $35 million. The hon. member for York-Simcoe is not listening. Perhaps I should repeat what I said in French so that he can understand. We have made the calculations he has made. I do not now if his calculator is as good as mine, but assuming the same number of children and a rate of inflation of 6 per cent next year, the difference will be $45 million and not $35 million, as it is this year. It is virtually the same thing.

Mr. Stevens: Mr. Chairman, I assure the minister that neither calculator is at fault. Perhaps the inputs are different.

Mr. Chrétien: I used your input.

Mr. Stevens: I would like the minister to tell me where I am going wrong. On November 6 his colleague, the Minister of National Health and Welfare, told us that the $690 million figure was arrived at by taking $8 per child—that is the proposed reduction from next year's figure—times 12 months times the number of cheques issued for the children of Canada, which is 7.2 million. If the minister puts that through his calculator, he will find that he gets approximately $690 million. I took the minister's own 6 per cent calculation, which means that there will be $1.20 more on every $20 payment as a result of indexing. I went through the multiplications and got $103 million. With regard to the credit, if we take five million children, which I think was the minister's number, times $12—I have extended it, in fact, the minister might be interested to know, until 1985 using his inflation figures on both sides—what we find is that the net cost to the treasury, if