

*Family Allowances Act, 1973*

review it is assumed to be Government policy. The mistake the Conservatives made is that during the 13 years they spent in Opposition, with the exception of the time of the Clark Government, they did not take the time to fundamentally come to grips with what they wanted to do with social policy and, the other side of that coin, fiscal or tax policy. As a result we get the kind of budget we saw on the night of May 23. I can promise you this: During the run-up to the next general election the Liberal Party will have in place alternatives for the Canadian public on social policy and tax reform which will clearly differentiate from that of the neanderthal Conservative Party.

**Mr. Deputy Speaker:** The period for questions and comments is over. Resuming debate.

**Hon. Elmer M. MacKay (Minister of National Revenue):** Mr. Speaker, it is a pleasure for me to deliver these remarks on behalf of the Minister who, for procedural reasons, is not able to speak at this time.

**Mr. Gauthier:** He refused to make a speech and you know it.

**Mr. Rossi:** Tell the truth.

**Mr. MacKay:** My colleagues are a little agitated. As I understand it, had they a little more generosity or were a little more forthcoming the Minister could have delivered the speech himself.

**Mr. Gauthier:** Mr. Speaker, just to make sure the record is clear, the Minister made a speech this morning when he moved the motion on third reading. He did not say a darn thing and that is usual for him. That was his fault, not ours.

**Mr. MacKay:** That certainly does not sound like the Minister I know, who is the soul of generosity and co-operation.

**Mr. Gauthier:** We call him tricky Epp.

**Mr. MacKay:** In any event, it is a pleasure for me to deliver these remarks on his behalf. As the House knows, this will be the last day of debate on Bill C-70. The Bill has been before the House and its committees since September 13, 1985. It was debated for seven days at second reading, considered for 13 sitting days in a legislative committee, before the House for eight sitting days at report stage, and we are considering it today at third reading. It seems to me that this was a pretty fair opportunity for my colleagues to have discussed it. We heard many times in these debates charges by Members of the Opposition that the Bill was being railroaded through the House without proper or adequate time for debate and representations. Allow me, on behalf of the Minister, to put these charges in some perspective.

In 1982 and 1983, when the Family Allowances Act was last amended to limit indexation of family allowances in 1983 and 1984 under the six and five program, there were three days of debate at second reading, three sitting days in committee and four days of debate at report stage and third reading. To sum

up, compared to that legislation, this Bill has been considered over twice as long at second reading, four times as long in committee, and over twice as long at report stage and third reading. This Bill has been before the House and in committee for 29 sitting days, while the so-called six and five Bill on family allowances was before the House and in committee for a total of 10 sitting days. That is almost a three-to-one ratio. I believe any responsible person in this House would have to conclude that, compared to similar Bills in the past, there has been ample opportunity to debate the provisions of this Bill and to hear representations on it.

Perhaps because of the length of this debate and because it has been a controversial Bill, there is in some Members' opinion little new to say about it. However, I think it would be useful at this stage to briefly review how this legislation forms part of an over-all reform of the child benefit system, and correct some of the inaccurate statements which have been made concerning the Bill by Members of the Opposition. Between now and 1989 this Bill and the amendments to the Income Tax Act now before the House dealing with the child tax credit and the child tax exemption will gradually replace the current child benefit system with one which is both more rational and more equitable. While maintaining the principle that all families with children should receive after-tax benefits from the federal Government not available to families without dependent children at the same income level, the new system will ensure that the largest benefits go to those families with children who have the lowest income and that benefits are reduced gradually as family incomes rise. That does not happen under the current system which pays larger after-tax benefits to a family with children and an income over \$30,000 than it does to a family with children and an income under \$10,000. Moreover, as at least one Member of the Opposition has had the frankness and honesty to recognize, families with two children and incomes at the \$10,000 level will get more child tax benefits next year and the following three years under this system than they would have if the current system had remained in place. To quote from the speech of the Hon. Member for Mount Royal (Mrs. Finestone) last Thursday, for a family with \$10,000 income there will be a gain in 1987 of \$64, in 1988 of \$75, in 1989 of \$96, and in 1990 of \$44. That does not sound bad at all. Actually, the figures she cited for 1988, 1989 and 1990 are a few dollars below the gains which the Government has projected. However, let us accept for the sake of argument that the Hon. Member was using correct figures. What concerns that Hon. Member and a number of witnesses from groups who were sincerely interested in the situation of low-income families with children is, therefore, not what will happen under this package of reforms between now and 1990 or 1991, but what will happen in 1992 and after if no further changes are made to the proposed legislation governing the child tax credit.

• (1640)

This is a legitimate concern and the Minister has asked me to say, on his behalf, as he said in committee, before that time arises, and as the fiscal and economic situation of Canada