November 7, 1978

the tax credit from the amount payable in social welfare obviously will be irresistible to some of the provinces. When that is taken into account, together with the fact that universal family allowance payments have been decreased by the terms of this bill from \$28—which would be the case in January under indexation—to under \$20, then the very result of this bill could be opposite to what the minister is trying to achieve, namely, a net reduction in the total income to low income families.

• (1622)

Why has the minister proceeded with this bill without a formal undertaking from the provinces? We know that the provincial ministers, when they met in Nova Scotia in September, complained publicly of the fact that there had been no consultation with them on this bill. Surely, given the concern expressed by these ministers, and given the fact that the minister knew that she would be presenting this bill to the House in October or November, she could have made some effort to meet with the ministers and extract from them a formal commitment that they would not deduct the amount of the child tax credit from the amount now payable under various social welfare programs by the the provinces and the cities. Would the minister tell the committee why she is proceeding with this bill without such a commitment?

Miss Bégin: Mr. Chairman, what has been suggested in terms of a filibuster by the loyal opposition may have some truth. The hon. member did not even say that we sat on Thursday afternoon and Thursday evening regarding this bill. He missed two hours there. Then he repeats the question he asked me just the other day. Every one of these questions has been asked several times now.

The hon. member knows very well that, contrary to what the NDP say, the government has no choice in dealing with this bill other than through committee of the whole. We do not have the choice of going to the standing committee on finance. The opposition appears to be wasting time, but what they are waiting for I do not know.

Mr. McGrath: You don't understand the system.

Miss Bégin: The Minister of Finance will be here tonight, but the opposition does not seem to want that. The hon. member knows full well that the provinces have developed in recent years the bad habit of taking back from their citizens what is given to them through federal programs, be it old age pensions or family allowances.

Mr. McGrath: What are you going to do about it?

Miss Bégin: The hon. member for St. John's East should be putting that question to Charlie Brett in Newfoundland. I have written to the minister in Newfoundland, and we will be meeting on November 20 and 21. What the hon. member is attempting to do is to appear to be giving me hell in order to obtain a provincial agreement on something which is to go directly to the Canadian people from the federal government.

Family Allowances

Mr. McGrath: The minister just doesn't understand what we are trying to do here, Mr. Chairman. First of all, she misleads the House. I would remind her that we started in committee of the whole on this bill last Thursday, and that we sat for 20 minutes before six o'clock. If the minister does not want to listen to the truth, I cannot help it.

Let me deal with what she is talking about. The minister is asking this committee to pass a bill the net effect of which will be, first, to reduce the universal amount of the family allowance by \$8 as of January 1, and second, of reducing the income to low income earners in Canada in the absence of a formal commitment from the provinces that they will not subtract the amount of the child tax credit from the amount they are currently paying out on welfare. That is our concern, and it is the minister's responsibility to obtain that undertaking from the provincial ministers, not ours.

She was warned about this situation when the provincial ministers met in Nova Scotia in September, when they complained at that time that there was no consultation. She knows that the province of Quebec, which has its own family allowance plan, was not consulted, that the province of Alberta was not consulted, and that there has been no consultation with, or undertaking or commitment from the provinces that they will not in fact subtract the total amount that would be payable to a low income family under the tax credit provisions of this bill, the net effect of which will be the very opposite of what the minister is trying to do, and the result will be to reduce incomes for low income families. If she cannot give us some kind of undertaking in that regard, then she might very well have a filibuster on her hands, and rightly so.

Miss Bégin: We should not be debating in this House problems which are to do with the behaviour of the provinces. The Leader of the Opposition says that he will let the provinces do what they wish, but the member for St. John's East says that he does not trust the provinces. This government trusts the provinces. Many provincial officials have met with federal officials and told them that they will pass on the benefits. I am confident that I will receive a formal commitment from them.

We are doing this to help the people of Canada. I would suggest to the hon. member for St. John's East that if he knows anything about democracy he should write to his riding, if he will not go there, and ask the groups that represent mothers and poor families to lobby their provincial government in order to obtain something which is of provincial jurisdiction. The hon. member implies that I am linked to a provincial-federal agreement. I am not, because this is a federal program. The hon. member knows that, and it is dishonest for him to pretend that there is any link inherent between this proposal and the behaviour of the provinces. They have many ways of recovering the money if they wish. For example, they could do it through day care fees, a program classified as being under the education department, not a social program.

We must ensure that this money goes to the parents and does not become an indirect transfer payment to the provinces,