

Family Allowances Act

Mr. Manly: Forty thousand dollars to Peru.

Mr. Riis: There is all kinds of money for little junkets to Peru. There is all kinds of money for Government advertising. I do not know if you saw the newspapers last weekend, Mr. Speaker, but just to remind us of all the good things the Government is doing let me point out that it took out full-page ads in the newspapers. It must cost tens of thousands of dollars to advertise like that in national newspapers, and this is occurring day after day. I think that if the Government were doing good things for the people of Canada, it would not have to tell the people what it was doing. It could tell by example and show by action. It becomes rather suspect if the Government has to advertise its programs just like Coca-Cola advertises the new Coke.

We saw the Budget cut services to Planned Parenthood and to social housing at a time when there is not one housing group in this country that is not appealing for greater support for social housing. The Government cut \$2 billion in transfer payments to the provinces, and that means that there will be cuts in health care and education payments.

The Minister of National Health and Welfare (Mr. Epp) rose the other day to say that he was concerned about families in Canada and about providing support in whatever way possible for the family unit. One of the very first things the Government did was to cut the Registered Home Ownership Savings Program when 75 per cent of those using that program were young couples in their twenties saving money to buy their first homes. The Government felt that it did not need to help young families to buy their first modest homes.

Then the Government increased the sales taxes and gasoline taxes. Sales taxes are the most regressive taxes that exist because they place the largest purchasing impediment on the shoulders of low-income families. Statistics Canada came up with an interesting comment the other day. It said that as a result of the Budget that was brought in by the new Minister of Finance (Mr. Wilson) and the new Government, 750,000 Canadians would be placed below the poverty level. Three-quarters of a million people will find themselves living below the poverty line as defined by the Government itself because of the measures introduced in the Budget. I could go on and on. I could talk about the \$500,000 capital gains tax exemption which will help thousands of upper-income Canadians.

In the last few days, we have seen when this Government really focuses its support. In a matter of a few hours, the Minister of State for Finance (Mrs. McDougall), the Minister of Finance, the Governor of the Bank of Canada, the Inspector General of Banks and the Prime Minister (Mr. Mulroney) found \$1.5 billion to help all those large depositors in the Canadian Commercial and Northland Banks. They did not find money to help people with \$20,000 or \$60,000 in the bank. They found money to help the Bank of America, Citi-Bank, Barclays Bank and the Royal Bank, large financial conglomerates with deposits of up to \$50 million. The Government indicated that it was going to give them back all their money even though it was not insured. The Government

indicated that it would be able to find \$1 billion or even \$2 billion to help its friends.

I made that point because it is important that we see the context in which we are debating this Bill today. While the Government has no hesitation in finding billions of dollars for the deficit by raising taxes or cutting services, it has the courage to come to Parliament to ask for authority under Bill C-70 to cut family allowance payments because it cannot afford to pay for them. It is almost unbelievable that this is taking place within this context. We cannot afford a modest monthly increase in family allowances just to keep up with the cost of living. We must recognize that the cost of living is increasing and that a modest family allowance payment should increase at least to keep up with the cost of living. That is all we are asking, but the Government says that it cannot afford that.

I would like to remind Hon. Members of the cost of all of this. In 1984, family allowances cost \$2.4 billion and that money went to help 6.6 million children. About 20 per cent of that is taxed back because upper-income families pay taxes on their family allowances. Therefore, the net amount was of \$1.9 billion. That is probably about the same amount we are going to be paying to the banks in this instance.

Are Government Members saying that we really cannot afford to pay people a cost-of-living increase on their family allowances? I do not know if that is what they are saying. I suppose it is, because that is what this Bill asks for.

Last weekend I had the opportunity to tour three housing complexes in my riding, two in the City of Kamloops and one in the City of Salmon Arm. By and large, these housing complexes were the homes of people with very modest incomes. A number of the families were single-parent families. I went door to door and I asked these people whether they were aware that the Progressive Conservative Government which they had recently seen elected intended to reduce the increases in their family allowance payments because the Government, could not afford it, apparently. When the people heard that their family allowance cheques were going to be reduced from the cost of living, on a number of occasions tears came into these people's eyes. Hon. Members opposite may laugh at that, as Hon. Members are doing now. They are chuckling at that. Imagine people getting a little nervous and perhaps bleary-eyed because the Government is going to be cutting family allowance payments.

● (1140)

Mr. Thacker: I rise on a point of order, Mr. Speaker. I was not laughing at it. I insist that the Hon. Member withdraw his comment.

Mr. Riis: Mr. Speaker, I will say that the Hon. Member for Lethbridge-Foothills (Mr. Thacker) was not laughing. Not all Members were laughing. I simply said that some Members opposite were laughing.

Mr. Thacker: You did not say "some Members".