

I also want to remind the House that in Quebec, since the Budget of April 23, 1985, all Quebecers must pay a tax on all insurance premiums: life insurance, automobile insurance, fire insurance, theft insurance, personal insurance, group insurance, medical-surgical insurance, supplementary death benefit insurance—

An Hon. Member: That is the provincial budget!

Mrs. Killens: That is the provincial budget, as the Hon. Member is saying but anyway I do represent Quebec families living in my constituency of Saint-Michel-Ahuntsic and—

Mr. Bernier: This is mental distortion!

Mrs. Killens: It is their budget that I am now defending, Mr. Speaker.

Who speaks on behalf of the poor? Who defends them? We do as Liberals, Mr. Speaker. This is why I rose today and I am taking this opportunity to urge all Members of our various organizations in Canada to sign petitions urging the Prime Minister to re-establish full indexation of family allowances and the income tax child credit.

● (1740)

Due to the complexity of the issue and the time that will elapse before people feel that reduction of income, I hope that all this will not slow down the mobilization of all those who are affected by that legislation such as single-parent families who live in many instances under the poverty level, families with low- and medium-sized incomes which will seriously suffer because of that legislation. We have to remember that sometimes it takes very little for a family to slip under the poverty line.

In addition to that, in Quebec . . . I have in hand a Quebec magazine called *Rubrique économie, la gazette des femmes*. Under the headline "The New Quebec Budget", we read:

Backward reforms which could bring women back to square one.

The Quebec Budget of April 23 last seems at first glance quite pleasant. The publicity surrounding the budget maintains that it will improve the budget of your family.

However, a careful review indicates that this is true for only certain classes of families. In addition it does absolutely nothing to improve the financial conditions of women. And, finally, a profile of a woman called Linda.

With respect to the subtitle "Family allowances radically reduced", it says:

You will point out that Linda will still get family allowances for her children. Of course. But what will they be worth in 1986? As far as federal allowances are concerned, which come to \$582 a year, the federal Government is already collecting \$101 in income tax on them. With the new system, the Quebec taxation system will also levy its share—

This is new.

Family Allowances Act

—that is \$146. As for provincial allowances, they are worthless. From now on, they will be fully repaid to the Quebec Government by the parent claiming the child as dependent. On top of that, some people say that this fictitious income could give rise to the payment of an additional federal tax of \$39.

I wanted to mention this even if it comes under provincial jurisdiction because, as I was saying earlier, I am defending the women in my constituency.

When we think of all the consultative processes initiated by the Government, we have to ask ourselves some serious questions. The following statement is found in the preface to the Blue book published by the Minister of National Health and Welfare (Mr. Epp):

Through it, I invite all interested parties, whether individual Canadians, organizations concerned with social policy, business, labour or provincial governments to consider how we can ensure greater fairness in the distribution of benefits from these programs without disturbing the universality of Family Allowances and the Old Age Security pension . . . The views expressed by Canadians in this process will be taken fully into account before program changes, if any, are implemented.

Further, on page 5:

—the government's twin tests of social responsibility and fiscal flexibility will be guided by the following principles:

1. The concept of universality is a keystone of our social safety net. Its integrity must not and will not be called into question.

Mr. Speaker, it is really hard to find any consistency in those statements.

I would like to take this opportunity to draw the attention of this House to the open letter sent by the Canadian Labour Congress to the Right Hon. Prime Minister (Mr. Mulroney), which says the following:

Listen to all Canadians and not only those whose views you find convenient.

The letter also requests the continuation and increase if necessary of benefits under essential social programs such as Unemployment Insurance, Old Age Security and family allowances, and the preservation of the universality of certain programs.

The estimates and the previous debate on the universality of family allowances clearly show that the erosion of social programs may be an objective your Government is determined to reach—

—says the letter.

The letter asks for a reform of the tax system so that:

—all individuals and companies pay their fair share to the Government—

—and warns that, by 1990, the increases and fiscal rebates announced in the Budget will have resulted in a \$2 billion reduction of corporate taxes, while personal income tax and sale taxes will have increased by \$4 billion and \$3 billion respectively, making present disparities even worse and—

—bringing about an even greater polarization of wealth and poverty.

We expect in the future continuously high unemployment, social programs in jeopardy, an increasingly unfair tax burden on low- and middle-income Canadians, a Government less and less present in essential areas of life. In other words, we foresee a more difficult future for most—

—warns the letter written by the Canadian Labour Congress.