

Private Members' Business

The fifth mechanism is the goods and services tax credit of \$213 million per year.

In addition, the Liberal government in the red book promised to spend an additional \$1.4 billion with the provinces to create 150,000 regulated, non-parental child care spaces over the next three years. This is apparently on hold with the latest budget. Hopefully that will be confirmed later on today.

Currently in Ontario there are about 7,000 vacant child care spaces in non-subsidized day care, while 25,000 people are on waiting lists for subsidized day care. If we put stay at home parents or any families that do not use outside receipted day care on the same financial footing as those who do, then some of those child care spaces would be freed up as parents choose different options and the list of 25,000 would shrink.

The government could then take part of the revenue that it was going to spend on more spaces and target it specifically at the poor families in the form of subsidies and benefits. That would be a true social program for the truly needy, a welfare assistance program that helps people who are in need, if it is a demonstrable need.

We are considering spending billions of dollars to apply a national program and national standards to families that are different in composition, situation, work and educational schedules, income, age, cultural and linguistic profiles, urban and rural settings, and the list goes on. The only common denominator I can see is that these people all have children.

Does it not therefore make sense to give families the economic tools to make their own decisions depending on their own specific needs? Let us consolidate the list of programs which I outlined and adopt Bill C-247 for all wage earners and introduce a social welfare package that, I submit, would be of significantly less cost.

• (1400)

If one totals the programs I have mentioned, it is over \$8 billion. We can certainly have a two-level plan and make the cost for the social and welfare programs a lot less.

Using Revenue Canada statistics, using the government's main statistics bank, for taxes filed in 1993 it is estimated that Bill C-247 would cost the federal government \$3.6 billion in tax revenue losses. One can call them tax expenditures.

The government may come up with another set of figures that says \$6 billion but maybe the cost is \$4 billion or \$5 billion. What is a billion these days? People seem to throw it around like it does not matter.

The question that begs to be asked, however, is where that money comes from. Where does the money come from for this new program that everybody gets a deduction? The answer, 92

per cent of my bill is related to families with incomes above \$30,000.

Simply put, one needs income to claim a tax deduction. Last year the \$5.2 billion child tax benefit which was designed to help lower income families paid out \$2.1 billion to families with incomes in excess of \$30,000.

If members narrow the targeting of the child tax benefit to those making \$30,000 and under, that would free up \$2.1 billion to pay for Bill C-247. Do not forget I said there is a two-tier system, over \$30,000 and under \$30,000. We have just freed up \$2.1 billion to help cover the costs of Bill C-247.

Where does the additional \$1.5 billion come from? If I stick to my \$3.6 billion in costs, which I could round up to \$4 billion if the government would like me to, a portion can come from the \$1.4 billion. We have found \$2.1 billion now. A portion can come from the \$1.4 billion that will be spent on subsidized day care, the future spending they will not have to spend. Leave the current day care facilities in place and reduce that list of 25,000 people who are waiting. They can go to the ones that are empty in the private day care centres or they might choose other forms of day care.

Eliminate the need for the equivalent to married tax credit, the \$565 million, because quite simply with Bill C-247 single parents would be left with more of their own money and be able to claim more than one child as is currently the case.

They would not need this assistance because as the recipients of child care payments, they would have the offsetting deduction to eliminate the tax payment. There is another \$560 million.

The final costs would be made up through the elimination of handling charges on the money that is redistributed by Ottawa through tax credits. The beauty of a deduction is that the money stays at the source, leaving more disposable income for people, lower processing fees for Ottawa and greater netbacks for everybody.

I believe that the power of the lobby for day care is overly evident in governmental policy to date. In his social reforms discussion paper, the Minister of Human Resources Development addressed day care spaces and flexible work arrangements for parents but said nothing about current taxation inequities, charter challenges or, more specifically, stay at home parenting.

One of the biggest single problems that this government has is that it always fails to identify the right problem, just like the deficit and the debt. It wants to lower the deficit. However that is just a contributing factor to the debt. It should be attacking the debt and how to solve that problem.

Such a move would have been too racy, the Minister of Human Resources Development said on a Calgary talk show, to consider a proposal of deductions for children. I fail to see what is so racy about a tax break for people who work just as hard in the home,