

passed will seriously endanger that element of society least able to defend itself.

● (1530)

Now, Mr. Speaker, we should take just a minute to see what continued full indexation would mean. Had it continued for Family Allowance cheques in 1983 the average monthly payment per child would have been \$30 as inflation would have been 11.5 per cent. The annual loss per child under this proposed Bill—which we will pass here, I assume, with a Government majority—will mean deindexing the payment down to \$17.76. As it exists, this Bill is totally unacceptable to our Party. Capping the Family Allowance for 1983 is ridiculous enough; extending this policy beyond the bounds of economic logic is really unparalleled insanity. Who in this House can in all certainty predict the inflation rate for 1984? We have a bureaucracy here in Ottawa reported to be rather astute. It determines what the rate of inflation might be in 1984 in order to give families sufficient income to feed their children, and they are prepared to set out a yardstick of 5 per cent in 1984. That is totally unacceptable to the Conservative Party. If the Government is really adamant in its desire to punish the poor, I implore it to at least restrict this horrendous act to a one-year period only.

Here is what the Government is going to say with this ridiculous Bill, Mr. Speaker, which is more important than the Cruise missile as indicated by the Government House leader today. The Government is reported to be saving .05 per cent of the federal budget, or one one-hundredth of 1 per cent of the Gross National Product. This could hardly constitute a major contribution to the fight against inflation. This Government thinks the people out there are naive enough to believe the Government when it says that, because of this piece of legislation, inflation is coming down. The Liberals are sadly mistaken because the people do not believe that the inflation rate will come down in small, minute percentages on a monthly basis if we restrict baby bonuses or Family Allowance cheques to 6 per cent and 5 per cent.

I would remind the Government of the factors which have been beneficial in lowering the inflation rate. Number one, a Gross National Product which has fallen 6.9 per cent since the second quarter of 1981. Secondly, in the third quarter of 1982 Canadian manufacturing was operating at only 67 per cent capacity thanks to this Government. Another factor is that business bankruptcies in 1982 were 33 per cent higher than in 1981, and 63 per cent higher than in 1980. In addition, in January the unemployment rate was a staggering 12.4 per cent, or in real terms, 1,598,000 Canadians were out of work. According to the Organization for Economic Co-operation and Development, Canada's economic decline in 1982 was the worst of that group's 24 Members. Consumer confidence in this country is at an all-time low. Obviously, Mr. Speaker, the most important factor in the slight decline of inflation has been the Liberals' own tragic mismanagement of our economy and our society. Yet they continue to cling to the illusion that deindexing of Family Allowances will save vast amounts of money, lower inflation and reduce the debt. But who will

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provide the savings? It will come from those who can least afford it. The Government attacks a program which has traditionally maximized benefits to that segment of society which requires it the most. This is yet another excellent example of enlightened Liberal social justice.

I would now like to suggest just a few areas which could be altered substantially by this Government to reduce the deficit while maintaining a just and equitable social policy. The Government, Mr. Speaker, purchased Petro Fina for \$1.46 billion, or \$120 per share. At the same time, the shares were trading for \$90 and were actually estimated to have a value of about \$80. In other words, the federal Government paid between \$365 million and \$486 million more than the real market value for a chain of gasoline stations. Number two, the carrying costs invested by the Government to date in Petro-Canada total over \$700 million.

Members on this side in committee and in this Chamber have continually pointed out to the Government other areas which would have more impact on reducing inflation and saving the Government more money than this current legislation. I should like to bring to the attention of the House just a few of them. An analysis was handed out in committee which shows that in the fiscal year just ending, the hidden interest costs subsidy to Petro-Canada, one Crown corporation, will be \$514 million. Can I repeat that, Mr. Speaker? The hidden subsidy, which does not show up in the Estimates, through one Crown corporation, in one calendar year, is \$514 million. There are direct subsidies in the Estimates to that same Crown corporation in excess of \$400 million. At that point we are remarkably close to \$1 billion, and here we are spending days of House time to approve a measure which will take about \$80 million away from families and children. That is the priority of this Government today. Not the Cruise missile, not the waste of Crown corporations, not the purchase of shares at almost twice their value in order to purchase a chain of service stations. The priority of this Government today, Mr. Speaker, is to make money away from families in order to balance a budget which is totally out of control.

Now it seems necessary to remind the Liberal Government again of the 1982 Auditor General's report, the details of which are well known to all Members of this House. In light of the considerable abuses of power enacted by this Government, in light of the blatant waste of taxpayers' money, and the deplorable state of the economy, I implore the Government at this time to discontinue its attempt to overburden the poor by restricting the Family Allowance which represents a very important and viable source of income for the less fortunate. While the Government preaches restraint it continues to pay the salary of Mr. Edmund Clark while he works for the International Cement Company Lefarge. Documents leaked in September 1982 suggested a price tag of \$172,000 for a one year stay. That has since been scaled down to only \$153,000. This sabbatical could last for up to 15 months, according to the article in the Ottawa *Citizen* of October 23, 1982.