

*Business of the House*

Question Period. I think there has been an honest attempt by all Parties in the House to try to resolve these differences. Question Period has been going much smoother. In future, I hope that the Parliamentary Secretary would bring these issues to the opposition Parties, if he has any legitimate concerns.

**Mr. Speaker:** I want to thank the Parliamentary Secretary to the Deputy Prime Minister (Mr. Lewis), the Hon. Member for Windsor West (Mr. Gray) and the Hon. Member for Churchill (Mr. Murphy) for their interventions. Of course, I will review the "blues" and report back to the House when it is appropriate.

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**BUSINESS OF THE HOUSE**

## WEEKLY STATEMENT

**Hon. Herb Gray (Windsor West):** Mr. Speaker, I want to ask the customary question of the Government House Leader as to the business he intends to call for the balance of the week, which I trust will not contain the kinds of questionable points of order raised by his Parliamentary Secretary today.

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, the Hon. Member might find a point of order about the order of business which he can raise if he so wishes.

Today we will be continuing with Bill C-11, as well as tomorrow. There seems to be much interest in this Bill. It is very popular and we will continue with it.

On Monday we will proceed with Bill C-11 if it is not completed. Once completed, it will be followed by Bill C-4 standing in the name of the Minister of Communications (Miss MacDonald). If time permits, we will call Bill C-2 in the name of the Minister of Agriculture (Mr. Wise).

On Tuesday we propose to introduce second reading of the Bill standing in the name of the Minister of State for the Canadian Wheat Board (Mr. Mayer) concerning the Prairie Grain Advance Payments Act.

I expect that Wednesday will be designated as an allotted day.

**GOVERNMENT ORDERS**

[English]

**INCOME TAX ACT**

## MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Hockin that Bill C-11, an Act to amend the Income Tax Act,

be read the second time and referred to a legislative committee.

**Mr. Speaker:** The Hon. Member for Thunder Bay—Nipigon (Mr. Epp) has the floor. I want to advise the House and the Hon. Member that he has five minutes remaining in his speech.

**Mr. Ernie Epp (Thunder Bay—Nipigon):** Mr. Speaker, in my final comments on Bill C-11 I want to address the need for substantial action in the area of family benefits. The decision to prepay the child tax credit partially has been generally supported in the House, including myself. However, there are aspects of the child tax credit which, in future, will all too much resemble many other government programs, specifically the partial indexing of the cost of living after 1989. It resembles the gradual decreasing value of the family allowance which was deindexed last year and has the effect of gradually reducing the amount of real income for people for supporting their families. As well, the expenses which families must pay are not only affected by the normal inflationary aspect which tends to prevail in the business community, which is used to match costs and increase the profits of enterprises; they are affected by the various tax changes imposed by Government.

I focus particularly on the increase in sales taxes which the Conservative Government has, in several steps, increased very much. I think of the tax on construction materials which was increased by a percentage point, increased once more to 7 per cent in the fall of 1984, with an additional percentage point being put on. In this respect, we are seeing a 50 per cent increase in taxes.

While it is true that an increase of two or three percentage points on higher taxes is proportionately less, the cumulative effect of these sales and excise taxes is increased costs which are borne by all, including the poorest families in the middle range of income and the wealthy. Of course, it is the poorest and those in the middle-income range who experience the effects of these taxes most seriously. Their incomes are smaller and they must pay as much per purchase as someone with a far larger income. These various effects have been recognized by the Government in part because there was a provision in last spring's Budget, which we shall be legislating one of these days, for a refundable sales tax credit. That offsets it to some extent, but the fact remains that families in the middle range of income, average Canadians, are paying more for less as these taxes take effect. They find the refundable sales tax credit and the child tax credit doing very little, if anything, for them.

● (1510)

What is most serious is that there are more and more Canadians who find themselves in those situations. The skilled workers in Collingwood who lost their jobs with the closure of the Collingwood shipyard a month ago are sad examples of those Canadians who had good incomes and did not have to