

*Family Allowances*

trouble making ends meet, it is relatively small, and the \$20 average reduction per child is counterbalanced on the income redistribution level by a non-refundable income tax credit of \$50 per child, while special exemptions for children 17 and 18 years old are abolished.

With these savings we proposed firstly—a provision we could develop last week—a \$20 increase in the guaranteed income supplement for senior citizens, which was most urgent in my view since nearly 58 per cent or 60 per cent of our senior citizens, according to evaluations, live below the poverty line, and secondly to reallocate to the most needy, through an annual lump sum payment of a maximum \$200 per child part of the savings obtained through that relatively small reduction in monthly allowances.

That redistribution proposal is very much in line with the philosophy of the then minister of national health and welfare when he discussed with the provinces an in-depth reform of our Canadian social security system because, as I explained earlier, payments will be made through the Department of National Revenue, through income tax as commonly referred to by Canadians. Therefore, the income tax will for the first time be playing an opposite role to its traditional one of taking from the taxpayer dollars generally earned the hard way.

In order to make payments earlier to those who apply and meet the test, relatively large sums of money will go out around April or May. It has been suggested it is dangerous to give out such amounts in one single payment. A mother of three or four could eventually find herself with a \$700 or \$800 cheque from National Revenue, and there was a danger she could spend it before she could have considered the truly best way of using it. My feeling is this is an insult to the poor in our society, to the most needy, implying they are less apt to plan their purchases than the fortunate affluent.

Mr. Speaker, I can assure you that when a person or family must manage with a small budget, each dollar counts. And I am convinced those relatively large amounts they will be getting in April-May will enable them to make purchases that might have been waiting for two, three or four years, as changing the refrigerator, buying a new range, a bicycle for the boy or the girl, things they could not do because of an exceedingly restricted budget, and also because it is difficult, Mr. Speaker, to make monthly savings within a very restricted budget.

● (1652)

This amount, I was going to use the word "manna" but that may have a negative connotation, this considerable amount will allow them to incur necessary expenses which they might not have been able to afford had the present system continued to exist, even if, for example, an increase in family allowances of \$35, \$40 or \$50 a month had been proposed. Ten or fifteen dollars is so quickly spent when you are living on a budget. So we must not only consider the negative aspects of a yearly

[Mr. Lachance.]

payment but also, of course, the opportunities that such a payment offers to those receiving it.

I can understand, from a theoretical if not philosophical point of view, that some may be opposed to a decrease in family allowances which, I repeat, is relatively small, to allow for a larger amount, when applicable, a few months later. I can understand and, in this regard, I think we must let the beneficiary decide which formula he prefers. That is indeed what the minister stated and I wholeheartedly agree. Who are we to prejudge of what the beneficiaries of this system will decide, in due time, when the system is implemented? Let us give the system a chance to prove it can work. It is a new system and as in the case of any new system perhaps there will be some readjustments to be made during implementation. But regarding these adjustments, Mr. Speaker, the hon. member for Broadview does not seem to be confident in the ability of the poor to get organized and make themselves heard on the hill, yet I can tell him, Mr. Speaker, that when it comes to their interests, they do organize and they do let us really know what they want. So I am confident once again that they will let us know whether the system being put in place, the newly instituted system when Bill C-10 will have received royal assent, is satisfactory or not. If it is less satisfactory than before, perhaps they will suggest two, three or four yearly payments or perhaps urge us to return to the old system of monthly allowances.

In any events, let us not prejudge of the reaction of the beneficiaries and let us give the system a chance to prove it can work. Once again, one must not see in Bill C-10 a new social philosophy on the part of the present government. Personally I only regard it as an important and praiseworthy effort to take from available funds, from out present tax basis those funds which are being distributed coast to coast to all who need them, thereby taking a little away from the rich and the well-to-do in order to give more to the less fortunate. Of course, these amendments to the family allowances program will not solve the problem of poverty.

Of course, Mr. Speaker, it is not through the family allowances program that we are going to build a new society in Canada. Such is not the purpose. The purpose is simply to give a little more to those who need it most and I do not see, Mr. Speaker, how one can have reservations about such an objective. The more we debate the social policy in Canada, Mr. Speaker, the greater our chances of arriving sooner at a more equitable system, at a better redistribution of wealth within our society. Let us debate, I am all for it, but let us not use Bill C-10—a relatively minor and technical measure in light of our overall social policy—as a pretext to conduct the trial of the Canadian society. I think that is a misrepresentation and also a great disservice to those that are to derive benefit from the proposed measures.

Mr. Speaker, some observers may have seen in the proposed program very spiteful intentions on the part of the government