

should rethink what it did in that event and bring in a new improved piece of legislation which we would very happily support.

• (1800)

During the presentation of the Hon. Member for Vancouver East (Ms. Mitchell) who led off the debate on Bill C-11 for our Party, she talked at length about Canada's children. She indicated that we must ensure that we provided for them. One way to provide for them is to ensure that their parents have sufficient income. If the parents have sufficient income, the children have nutritional food, a decent place of accommodation, warmth, and what they need in an economic sense to allow them to grow and become valued Canadians. The flip side is that if parents do not have those economic tools, the children do not get the right kind of food to eat or the right kind of clothing to protect them from the elements. Therefore, they will not be the same kind of productive individuals when they reach adulthood. The general government policy has been one which has worked against children and families. It has added to the problem, not helped it.

I should like to refer to some examples. It has been estimated that the partial deindexation of children's benefits will result in a real reduction in the value of government support to children and families in 20 years. We know that a dollar will buy so much today and that 10 years from now it will buy even less because of inflation. Also it has been estimated that 20 years from now the family allowance will be worth \$18 per month, compared with the \$31.27 of today. The child tax credit will be worth \$326 per child, compared with \$384 today and \$480 in 1988. The family income level up to which the full credit will be paid will only be \$13,800, compared with \$26,330 in 1985 and \$22,516 in 1986. We have a responsibility for more than just today. We have to look down the road to see what will be the implications of the policies of the Government of Canada and of Canadian political Parties for my children and their children.

In the 1985 Budget children's benefits were to be reduced by \$600 million by 1990, with \$55 million being pulled out in 1986 alone. The May 1985 Budget eliminated the federal tax reduction, which was a form of tax relief for low and middle income taxpayers. It would have paid them up to \$50 per individual or \$100 per family this year. It also shifted the personal income tax system from full to partial indexation for both personal exemptions and tax brackets.

The February 1986 Budget imposed a 3 per cent surtax on basic federal tax for all taxpayers, rich and poor alike. In terms of sales and excise taxes, taxes which tend to go after poor and middle-income earners with a greater vengeance than those in the upper quintiles, the Budget extended a 1 per cent increase in federal sales tax which was to have ended on December 31, 1988. It also raised taxes by 7 per cent on things like construction materials, cable and pay television services, and 11 per cent on other taxable goods. Also the February 1986 Budget raised the federal sales tax by another percentage

point, which particularly hurts smaller communities as well as the North.

The policies of the Government support the existence of soup kitchens across the land. In many cases we are finding single parent families going to soup kitchens because their UI or welfare is no longer sufficient to provide them with basic necessities. Whether it is in Thunder Bay, Vancouver, or Toronto, soup kitchens are an indication of a sickness in society—the disease of poverty. The Government is aiding and abetting this disease by not ensuring that sufficient income levels are available to Canadians and by tampering in bits and pieces through the back door with income support programs, family allowances, and other programs designed to get money into the hands of working and poor Canadians.

In my final moments I should like to elaborate on something in which I have believed strongly for years. My Party has had a history of supporting this concept back to the days of the CCF. I am referring to the whole concept and application of a guaranteed annual income. Such a program can be designed to meet the needs of all Canadians by ensuring that they have a level of income sufficient to meet their daily needs—to provide shelter, heat, and nutritional food which are so necessary. It could be designed to minimize bureaucratic costs and to ensure that money got into the hands of those who needed it in a way which did not set up a massive bureaucracy that vastly outweighed anything in existence today. It could use taxpayers' dollars as they were intended, to support those Canadians who need support from taxpayers. I see it operating as a universal program with no means test except for the means test of the income tax system, assuming that we finally have an income tax system which is really fair.

Those Canadians who would receive the GAI would find it taxable above a certain level. If one had a full-time job at any level of pay or had income from other sources, part or all of it would be recovered through the tax system. In the context of the question which I raised with the Conservative Member who spoke prior to me, there are built-in disincentives in two of our income support systems for people to get off them.

I should like to refer to the welfare system as I know it in Ontario and to use the example of the so-called ideal family of four—two parents and two children. The mother could be working at home and the father could be attempting to find employment. While he and his family are on welfare, in addition to the income provided for accommodation, meals, and clothing, they receive a drug benefit card, eyeglass assistance, and their OHIP is paid for. If the father goes out and finds a job which pays him at the same level as the cheque from welfare, he has a choice. He can decide to take that job. He is one of those Canadians, and there are a lot of them out there, who wants to work. The job is not unionized. It only pays what he would get on welfare, and there is no fringe benefit package. All of a sudden, this father has to come up with the money to pay for his OHIP. There may, however, be some support. If his children or his spouse get sick, he has to find the money for the necessary medication. If a member of