

Family Allowances Act

Mr. White: Mr. Speaker, I stated several times that this is the first step in a long-term plan and we are not looking for a short-term political gain. Without proper economic management in our country there will be no social benefit package at all. These measures will proceed step by step and we believe that with our priority being economic recovery in Canada, economic justice and an improved social benefit package will follow.

Mr. Boudria: Mr. Speaker, I listened to the Hon. Member with great interest. I believe he said that Bill C-70 would improve benefits to families. How could a measure that cuts benefits be deemed to improve them in any way, shape or form? I must say that this is logic that most of us have some difficulty understanding. Could he elaborate on that for the benefit of Hon. Members?

Mr. White: Mr. Speaker, I am pleased that the Hon. Member listened attentively to my speech. I did not see him in his seat so I assume he was watching the television in the lobby. My answer would be the same as that given to the Hon. Member for Winnipeg North Centre (Mr. Keeper). We must also take deficit reduction into consideration. While it would be desirable to consider a social benefits package in isolation, it is not possible to do so as a Government. We inherited a tremendous deficit and we are trying to redistribute that package as it exists in order to put more money into the hands of the less fortunate. I believe we have begun that process.

Ms. Copps: Mr. Speaker, the Prime Minister of Canada (Mr. Mulroney) promised in the House of Commons that he would not use social service cut-backs to reduce the deficit. The Hon. Member stands in his place to say that his Government is taking this action to reduce the deficit. Canadians should be made aware of the fact that a family of four earning \$15,000—disregarding the millionaires whom the Prime Minister and the Minister of National Health and Welfare (Mr. Epp) like to refer to—will lose almost \$2,000 as a result of tax changes and cut-backs in family allowances between now and 1990. How can the Hon. Member suggest that a family of four earning \$15,000 should face a cut-back of almost \$2,000 to pay for the deficit which is a direct result of his Budget measures?

Mr. White: Mr. Speaker, I am pleased to say that the Government is looking at long-term policy rather than short-term political gain. Perhaps the Hon. Member is not aware of the tremendous debt that was left by her former Government. As finances improve and the situation permits, the social benefit package will be increased according to our policy, which is to look after those in greatest need.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, let me congratulate my corner colleague from the southeast Conservative caucus, the Member for Dauphin-Swan River (Mr. White), for his excellent presentation.

He illustrated some key economic indicators, some of which were also given by the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie) this morning. However, let me add other

economic indicators which he neglected to include in his remarks but which are quite relevant in the over-all context of this subject. First, interest rates have dropped 2.75 per cent since last September. Car and truck sales, depending upon the area, have risen 20 per cent to 25 per cent. Investment spending intentions are up in this country by 17 per cent to 20 per cent. These indicators mean an increasing number of jobs. Members opposite should recognize that the Government is creating more jobs in this country. I know that it makes them very nervous to read those statistics because they do not like to see success.

The stability of our dollar is very strong. These positive signs are seen today, on the first anniversary of the swearing in of our Cabinet and the new Government of Canada. These indicators will provide confidence and a positive strength upon which we can build in this country.

My colleague put the debate into perspective when he said that we are not touching the concept of universality as a result of this Bill. No payments will be cancelled. No payments will be reduced. We are lowering the level of increase for next year.

Does the Hon. Member agree that the vast majority of Canadians believe that we must lower our losses in this country because we cannot continue to live beyond our means? Does he think that we in this country can continue to live beyond our means?

Mr. White: I thank my colleague, the Hon. Member for Ottawa-Carleton (Mr. Turner), for his question. He is correct that there were several positive economic indicators that I failed to mention in my presentation. However, if I had mentioned them all, I would have been here for hours.

As a western Canadian, I can say that there is a very positive attitude in the West. After being ignored for so long, we finally see a Government that is representative nationally and is dealing with national problems in a responsible manner.

The Hon. Member is quite right when he says that universality will be untouched by this proposal. It is not the first time that indexation has been modified. Similar steps were taken in 1976, 1979 and 1982. My constituents and other Canadians are beginning to realize the seriousness of our debt and, as he mentioned, they realize that we cannot continue to live beyond our means.

[*Translation*]

Mr. Malépart: Mr. Speaker, I have a supplementary and a comment for my colleague who, as I know, is a man of his word and a man of honour.

What I do not understand about the Conservative members and about my colleague is that they talk of reducing the deficit at the expense of children, at the expense of families with children.

I would therefore ask him: Does my colleague who just spoke now know—and I would like to remind him of a promise to be found in a Government document, the blue paper dated