

Income Tax Act

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, it is a pleasure to take part in the debate on this Bill. First of all, I may recall that the previous speaker demonstrated he did not know what he was talking about. He made a good improvised speech, but I may point out that in the Bill before the House today, there is no mention of increases in the child tax credit.

The purpose of the measure we are considering today is quite simply, and I am not trying to mislead the House, I read here what was said by the Minister of Finance on February 26, 1986: "—to provide more timely assistance to low-income families and to reduce the need for tax discounting, the Government is proposing to advance payment of the child tax credit." This Bill is before the House today, Mr. Speaker, because the Government did not have the guts to get rid of the tax discounting system, under which tax discounters, and I will explain for the benefit of those who are not familiar with the term, provide early payment of tax refunds to people who sell their refunds, and to my mind, people who charge as much as 15 per cent for this service are as bad as loan sharks, Mr. Speaker.

We know that a substantial percentage of the earnings of companies like H & R Block and Household Finance is derived from charging low-income families for the child tax credit they receive in the form of a tax refund. So, part of the money we put into social programs to help families was going into the pockets of tax discounters.

I have to admit it was the Liberal Government that allowed this to happen. The system should have been abolished outright, after experience had shown the kind of impact it was having. It is unfair to poor families, as I said earlier, and in fact, the Conservative Government and the Minister of Finance had decided, in the other Budget, that a poor family had an income of up to \$23,500. When we talk about income, this means family income. It means that two people are working to earn \$23,000, Mr. Speaker. We are not talking about the rich. These are not Members of the House or Senators. We are talking about ordinary people. Since this Government wanted to maintain the child tax credit, it should have made pre-payment available to all Canadians receiving the full \$300. And if, as the Hon. Member for Trois-Rivières was saying, they really wanted to help people on humanitarian grounds, they should have made the amount available at the beginning of the new school year and not before Christmas. After all, when do Canadian families need money most? When the children go back to school, to pay for school supplies and clothes. That is what costs money, and that is when our families in Quebec and across Canada need more money than what they are getting through family allowance.

● (1700)

Mr. Speaker, what appalls me is that the Hon. Member for Trois-Rivières mentioned this was being done in a "spirit of charity". Nothing could be farther from the truth, Mr. Speaker. The thousands of Canadian mothers do not want charity to raise their children. If they have children, it is

because it is an honour and a duty. They are fed up with this Conservative Government's charity. Let them send you an early cheque, and I feel certain there is a majority of Progressive Conservative Members who do not accept the words used by the Hon. Member for Trois-Rivières (Mr. Vincent). This is not charity, this is something that is owed to our Canadian families, Mr. Speaker.

And on top of that, those people have the gall to try and tell us that those are increases, and then to hide deliberately the fact that at the same time, by the same decision, the Minister of Finance (Mr. Wilson) has de-indexed family allowances.

Mr. Speaker, it is important that we recall how much Canadian families—and, mind you, this results from a consultation made by the Minister of National Health and Welfare, the so-called Blue Paper, which invited all Canadian families to file in recommendations. Members from all political parties who sat on the committee worked honestly and seriously, and the Prime Minister (Mr. Mulroney) and the Minister of Finance were saying that the reform of family income support policies was not aimed at reducing the deficit, but at giving more to those who need it most. What was the result, the end product? Six months later, because of pressures by mothers who came here on Parliament Hill, and whom the Prime Minister insulted by refusing to meet them, the Minister admitted it was in order to reduce the deficit, Mr. Speaker.

We all remember Mrs. Denis who was on Parliament Hill with a group of senior citizens. Well, Mr. Speaker, Canadian families were given the same treatment. I have figures here from the Department of National Health. How much did the Government take away from the families of our Canadian mothers? If Réal Caouette were still here, Mr. Speaker . . . And the Hon. Member says there was a \$70 increase. With the other hand they took away more. They put half of it in one pocket, then they transferred it to the other pocket, Mr. Speaker. It is \$1.21 billion that the Government will have taken by 1990-91 from the envelope that was to have been used to help families with children.

Mr. Speaker, last year, \$15 million, \$40 million in 1986-87, and up and up it goes, \$135 million, \$200 million a year, \$340 million and \$480 million which the Government will take away in 1990-91, and today Hon. Members will rise and tell us: This is a good measure. We took pity on them. It is charity. We are progressing. My eye, Mr. Speaker!

What has this Government done other than mentioning family assistance twice in the Speech from the Throne, and according to the Prime Minister it is the cornerstone of our society, Mr. Speaker: a cut in family allowances indexation, 3 per cent less. Worse still, Mr. Speaker, the child tax credit was de-indexed in the famous Budget tabled by the Minister of Finance on May 23, 1985. This Government had the nerve to de-index the measure for the neediest families which the Hon. Member is bragging about, yet at the same time it granted a capital gains exemption.