

*Family Allowances Act, 1973*

thing she does get is a family allowance cheque which is hers. I am sure that in most cases she uses it for the children, but it is she who gives it to her children.

In the case of low income women, as they told us, this is money that the mother uses to buy food, especially toward the end of the month when the welfare cheque has been used up. To Canadian women the Government's decision to deindex means a reduction in the value of the family allowance cheque, and they feel that this is insulting, degrading and humiliating. It makes women very angry. They will not forget that anger, I can assure Hon. Members in this House.

● (1530)

The family allowance is little enough as it is. If the Liberals had retained full indexation and done what they should have done as a social commitment and a human right, we would have had family allowance cheques over \$50 a month today, and that is the least they should be.

It is incredible that the Government would try to fool women and play around with this important program. The Minister put out a press release before Christmas saying that cheques would not be reduced but increased in January. He even put the cheques out ahead of this debate with an increase of one cent per day per child. The amount should have been four times that to cover the real costs of living.

We have heard from many people that Bill C-70 will be hardest on small families. It will be hard on large families who have a fair income because the cost of raising several children is very great. This Bill will be particularly hard on single parent families, 90 per cent of whom are headed by women who are poor.

The Minister can mouth his platitudes saying that he wants to help those in greatest need. Members who spoke this morning repeated that message but the facts show that that is not true. The family benefit programs and the steps taken in the Budget will hurt poor families badly. I will give some facts to substantiate that statement.

We heard from many mothers on low income and many social policy groups that deindexation is hardest on the poor. I know women in my riding who after using up their welfare cheques use their family allowance cheques. By the end of the month they are out on the streets. I can tell Hon. Members that because of Bill C-49 these women are out on the streets getting picked up and are subject to criminal charges. How do you think women and mothers feel, Mr. Speaker, when they know their Government cares so little for them that it is cutting the cost of living increases?

Bill C-70 is regressive social policy. We heard this repeatedly from social policy groups. One woman parliamentarian—I was really disappointed to hear her—said it is progressive. That is ridiculous. Combined with other Budget measures, it favours the rich and hurts the poor.

The National Council on Welfare and the Canadian Council on Social Development have this documented. The National Council on Welfare said that over the next five years a single

mother with two children earning \$15,000 annually will lose nearly \$2,000 under the Government's Budget. On the other hand, a one-earner couple at the \$80,000 a year level will gain nearly \$6,000. It is incredible, isn't it, Mr. Speaker? The child tax credit is also being deindexed after three years. We sometimes forget about the child tax exemption, which will be reduced by deindexing. Higher income people will get a reduction for capital gains exemptions and a much higher ceiling on non-taxable RRSPs. Although the poorest families will have an increase in the child tax credit—I hope Members are listening because they keep giving out myths—the increase in the child tax credit does not come until 1987. In the meantime, in 1986 sales taxes imposed on the poorest families will be much higher than the increase in the child tax credit.

How can the Conservatives argue that the Budget helps the poorest families? They are either uninformed or unintelligent—I do not think that is true—but they must be deluded and certainly very cynical if they continue to repeat that argument.

The savings from the reduction on the indexation on family allowances also takes money from the lower income families according to the Canadian Council on Social Development. Their research shows that as a result of 3 per cent deindexation the Government will retrieve \$49 million in 1986 alone. Of these savings, \$33 million will come from families whose incomes are under \$50,000. Average and poor families are being hit by Bill C-70, the families raising children.

The cumulative effect of deindexing the family allowance is another thing we must remember. It is only a little bit of money, a quart of milk a month, starting this new year. On the other hand if we look at what happens over the years with deindexation, the Canadian Council analysis shows that if inflation continues at 3 per cent, in 20 years time the family allowance will be only with \$18 a month instead of \$32, a loss of \$168 a year. The child tax credit—get this—will be reduced to \$326 from \$384 today even though during part of that period there is an increase in the child tax credit.

The other thing we do not realize is that the turning point for income eligibility for the child tax credit is also affected. The CLC says that in 20 years time only those earning \$14,000 a year, extremely poor families, will be eligible for the child tax credit. People up to the \$26,500 income range are eligible today. This plan is insidious. As the years go by the family allowance will be eroded, proving that the Government is attacking a universal program.

Bill C-70 also contains a section giving the Minister power to declare missing children as presumed dead. Child finder groups and parents with missing children are very concerned about this section. We think it should have been withdrawn. Native women have a special plea but were refused being heard. The Bill has a tremendous impact on their families and communities.

Bill C-70 represents a final betrayal by the Government which will come back to haunt it. The Government promised consultation. That promise has been a complete farce. Very qualified groups who were heard at committee twice unani-