

*Family Allowances Act*

family allowance today would be \$52 instead of \$31. I remind Hon. Members this is the first time the Conservative Government has been at bat for a while and we are just beginning to see the way in which they are attacking our social security programs. We had several years in which the Liberals slowly but surely eroded those programs. It seems that once again we have to be fighting a rear guard action protect our social security programs and to ensure that all Canadians have a right to participate fully in Canadian society and have, at least, a chance of living a life with some dignity and equity.

Canadians should have known that when they elected a Conservative Government that this was the type of agenda that it had in mind since, in the past, some Conservatives had let slip that they were going to have to do some very mean and nasty things. We now see those mean and nasty things happening. The reason the Canadian people did not really believe that this was going to take place was because they accepted, at face value, the promises made by the present Prime Minister (Mr. Mulroney) when he was campaigning. For example, last August, he very solemnly gave the assurance that no social programs at all affecting anyone in need would be touched by a Progressive Conservative Government. Without hesitation, the Prime Minister gave that assurance and, now, with very little hesitation, we can see this Government moving to remove full indexing from family allowances.

● (1650)

When the Minister of National Health and Welfare (Mr. Epp) introduced this legislation on Monday, he said that we cannot separate social programs and benefits from economic reality. That is a proposition with which we would all agree. Social programs and benefits have to be tied to economic reality. The question I would like to raise is how do we perceive that economic reality? If we look at the actions of the Conservative Government in the past few months, we see that its view of economic reality is basically one of cutting back on social programs in order to grant a tax holiday to people with capital gains of up to \$500,000. We see proposals to bail out the Canadian Commercial Bank to the tune of \$1 billion. At the same time, we see proposals to cut back on programs like Old Age Security and the family allowance. The seniors of Canada made the Government see the folly of trying to cut back on the OAS. However, as my colleague, the Hon. Member for Vancouver East (Ms. Mitchell) pointed out, they may have persuaded the Government politically that it was folly but they have not yet persuaded this Government morally. It is important for the Government to face up to the fact that what it is doing is not moral.

If we are going to talk about economic reality, let us do so from the perspective of hundreds of families in my constituency. I am sure this would also be true of hundreds of families in most Members' constituencies. In fact, it would be true of millions of Canadian families coast to coast. They face an economic reality which I think is rock bottom and we have to deal with it in this House. It is the economic reality of being poor, not having enough money from month to month to meet basic necessities. It is the economic reality of children having

to go back to school in need of new clothes and school supplies and their financial resources are stretched to the breaking point. That is the economic reality we should be looking at first of all.

The Macdonald Commission, when it looked at the question of distribution of income, seemed rather surprised that there has not been any real change in Canada over the last 30 years. The overall distribution of income has changed remarkably little during the past 30 years, according to the report. The poorest fifth of Canadian families and individuals continues to receive about 4 per cent of all income while the most affluent fifth receive about 40 per cent. It seems surprising that the distribution of income appears so stable and existing research has not fully discovered the reasons for this phenomenon. Whatever the full explanation may be, the gap between the affluent and the poor in Canadian society remains as wide as ever. In one table to the report, the effect of some of the transfer programs on the distribution of income is shown. Before programs such as family allowance and OAS are counted, the poorest fifth of Canadian society received only 1.4 per cent of Canadian income. That is, 20 per cent of Canada's people received one-seventieth of Canada's personal income. After those programs are added in, they received the magnificent amount of 4.6 per cent of national income. With aboriginal people the question is even more severe. Government transfer programs constitute the second largest source of income for these people. With that in mind I want to go back to what the Minister said about the fact that previous changes to the family allowance program have meant we are only paying \$31 per month today compared to what it should be, \$52 a month. We wonder why there has not been any real improvement in the gap in income equality in Canada, yet we continue to have Governments such as the previous Liberal Government and the present Conservative Government cutting back and eroding such basic programs as family allowances.

When the Catholic Bishops spoke on this issue two years ago, Mr. Speaker, they talked about putting an end to these cut-backs. They said the economic realities in Canada revealed a moral disorder in our society and I want to say to the Conservatives opposite that Bill C-70 contributes to those moral disorders and I support fully the motion that this Bill be given a six-month hoist.

## PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE RAISED

**The Acting Speaker (Mr. Charest):** It is my duty, pursuant to Standing Order 46, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Ottawa-Vanier (Mr. Gauthier)—Conflict of Interest—(a) Request for details concerning formation