

Family Allowances Act

child tax credit, which will be payable in the spring of 1988, will be increased by a further \$35 to a total of \$489. At the same time the child tax exemption will be reduced to \$560 per child under age 18 at the end of the year. This makes the system much more progressive. For the taxation year 1988 the child tax credit will be increased a further \$35 to a total of \$524 per child under 18. At the same time the child tax exemption will be reduced to \$470 per child under age 18 at the end of the year.

As you can clearly see, Mr. Speaker, Bill C-70 is just the first step in a series of changes that the Government is planning in response to the need for more benefits going to those most in need in Canadian society. The Government is looking to the future. We want to ensure the long-term health of our family benefit system, unlike the Liberals and NDP whose sole interest is short-term political gain at the expense of the very system they profess to be protecting. A delay of six months for second reading as proposed by the Opposition delays the beginning of changes to the system that are intended to improve the fairness of our family benefits system, and to ensure that maximum benefits go to families with children and with incomes of less than \$25,000 per year. I keep hearing criticism from the Opposition on our proposal to introduce a capital gains exemption for individuals. They say that this is a proposal for the rich, but that is absolutely untrue. Among the number of Canadians who will benefit from this proposal are the farmers, the small businessmen, and the small town professionals who have worked hard and paid taxes to support our social benefits system.

"Private initiative" and "hard work" are not dirty words. People who have worked hard on family farms and in family businesses have been asking why they should work hard and take risks if the Government only penalizes them, as the former Liberal Government did. As a new Government we are going to reward hard work because we know that without these people we would soon have no social benefit system whatsoever. We have seen what the NDP Government in Manitoba thinks of small business and individual initiative. They slap on a special employment tax every time a business hires a new employee. That is some incentive; a tax on job creation.

I am also disturbed, Mr. Speaker, by a statement from the NDP spokesperson, the Member for Vancouver East (Ms. Mitchell). In response to Bill C-70 she said that "it is easier to attack children than it is to attack old age pensioners". Can you imagine a statement such as this from an NDP Member of Parliament? It is truly incredible. New Democratic Party Members, who feel no remorse at all in supporting the death of thousands of unborn Canadian children, are telling us that we are attacking children with Bill C-70. Obviously the concern for children expressed by the NDP does not include the ultimate protection, that is, the right to be born. That subject deserves separate debate, but it does point out the serious contradiction in Opposition arguments.

My wife and three children are the most important part of my life and I have been fortunate enough to be able to provide

for them. However, in my 13 years of work in the health care field, I have seen many families much less fortunate than mine. My family would not hesitate to give up part of the increase in the family allowance so that others in greater need would receive more.

In this debate we have also heard criticism from the Opposition Liberals on our recent changes to the devastating National Energy Program. Such statements prove their total lack of understanding with regard to western Canada. We were treated as a colony by the Liberals for so long that they have forgotten what they did to us. I would like to give a small piece of advice to the Liberals. If they ever hope to be credible in western Canada, they had better talk to westerners in order that they can understand that the Western Accord restores to the west what the Liberals took away with the National Energy Program. The Liberal spokesman, the Hon. Member for Sudbury (Mr. Frith), say that he is, "convinced that grandparents are concerned about what is happening to their grandchildren". I agree totally, but not because I want to enlist seniors in a fight against Bill C-70, but because seniors have a lot of experience and common sense and they worry about the future of their grandchildren. They can see through the cheap politics of the opposition and will join us in a long-term solution and a return to fairness in Canadian society and its social system.

● (1610)

In conclusion, I want to emphasize that Bill C-70 is only a first step in improving Canada's existing benefits system. When considered with plans to increase child tax credit payments, to make the child tax exemption more progressive within the tax system and to improve the system even more as the economy improves, I know that Canadians will support Bill C-70.

The effects of Bill C-70 will be twofold: first, the benefits to families will be distributed more fairly; second, there will be recognition of economic realities by all Canadian families. The Government supports the family and we are working to assure the future of family benefits. Everything cannot be done at once. As conditions improve and as the May 23 Budget continues to improve the Canadian economy, the family benefits package will be further improved. Therefore, I urge the House to defeat the amendment and pass second reading of Bill C-70 so it may be referred to a legislative committee.

Mr. Keeper: Mr. Speaker, I was interested to hear the Hon. Member say that the Government was committed to social policy with regard to families that would make more resources available for those who need it most. Is he aware that while the changes do benefit the poorest of the poor in the first three years, after those first three years even the poorest of the poor will lose money according to the proposal which his Government has introduced? How does he justify that with his contention that the changes in social policy the Government is introducing will in fact help the poor?