

Income Tax Act

Should the family earn more than \$15,000, it will be required to give the money back and pay any interests payable. I think that is normal, that it is a matter of equity. We are taking this measure for low-income families, not for those with a yearly income of \$50,000. If by mistake the latter received a prepayment of \$300 in November, it would be only normal for them to give it back and pay interest on the amount the government paid them in advance. I think that makes sense, Mr. Speaker.

To conclude, Mr. Speaker, I thank you for your usual kindness and ask the House to speed things up and pass this bill as soon as possible.

● (1650)

Mr. Deputy Speaker: Questions and comments? The Hon. Member for Montreal—Sainte-Marie (Mr. Malépart).

Mr. Malépart: Mr. Speaker, I would like to ask a question. The Hon. Member gave himself a good pat on the back for the concept of the child tax credit, and I thank him for that. But I would like to remind him that this measure was introduced by the Liberal government in 1978 to meet a need.

I would like to ask the Hon. Member who is pleased because that prepayment will prevent recipients from going to tax rebate discounters, if the purpose was to improve the standard of living, since the government did not have enough courage to outlaw tax discounting, why should a family in the member's beautiful riding of Trois-Rivières with an income of \$15,000 to \$23,000, be deprived of the right to that benefit by the Hon. Member, the Prime Minister (Mr. Mulroney) and the Minister of Finance (Mr. Wilson)? As you know, Mr. Speaker, two people earning \$15,000 a year are not wealthy, but these people are left at the mercy of the tax discounters. Why is this? Yet, this is the Government which decided that the ceiling for a low-income family would be \$23,500. If the Government thought this important, why did it not decide that all families entitled to the full amount of the child tax credit would receive an advance payment so that they would not have to go to the tax discounters?

Why did the Government decide to leave out 538,000 Canadian families?

Mr. Vincent: Mr. Speaker, I am very proud that the Hon. Member for Montreal—Sainte-Marie (Mr. Malépart) recognizes the Trois-Rivières constituency as the most beautiful in the country. I thank him for saying so.

Mr. Speaker, perhaps the Hon. Member does not understand the exact purpose of this measure. This is a tax credit of \$300 per child for families with an income under \$15,000 a year. According to the statistics, families with an income under \$15,000 are indeed those that have the greatest tendency to go to the discounters. That is the reason for this measure. It is very simple.

This Bill also solves in practice the problem of discounters. I think that what I said a few minutes ago has to be viewed in that context.

The Hon. Member mentioned 538,000 families earning between \$15,000 and \$23,000. Those were not the people who wanted to get their money early, Mr. Speaker. It was those who earned less than \$15,000 a year, and I think that should be made clear on the one hand.

On the other hand, Mr. Speaker, obviously if the Liberal Party and the Liberal Government had not left us with a deficit in the order of \$200 billion—an annual deficit which we have significantly reduced to date, but we still have a long way to go because of the interest to be paid on their debts, Mr. Speaker—we might have increased the Child Tax Credit, and indeed we might also have increased the \$300 payment.

Mr. Speaker, interest payments on their debts accounts for 25 per cent of our spending every year. Their debt, Mr. Speaker, not ours.

In 1968, we had no deficit, we had no national debt. In 1984, some 20 years later, we had a \$200 billion national deficit. What a shame, Mr. Speaker!

That is why we have been dealing with that matter, the problem of their debts, to help Canada forward. Up to now, we have been doing pretty well, Mr. Speaker.

In concluding, I would like to mention that the unemployment rate in the Trois-Rivières constituency was made public last week: it is already down to less than 10 per cent, in two years only, Mr. Speaker.

Mr. Malépart: I do not want to suggest to the Hon. Member for Trois-Rivières that he is unaware of the facts. Far from it, Mr. Speaker.

I have in my hand a budget paper signed by Mr. Wilson. Everybody knows that he is a Conservative. The anticipated payment of the child tax credit to families whose annual income is \$15,000 or less, on page 26, does not cost a cent to the Government. It does not cost a cent to the Government to have it up to \$23,000.

I can see you are not well informed, and I think that you should change your speech. Perhaps he should have read the Minister's papers before sticking his neck out.

Mr. Vincent: Unfortunately, Mr. Speaker, I do not know exactly what the page is. You can figure it out as you like, if every month 700,000 families receive a maximum payment of \$300, taking for granted that they have only one child, the cheques issued by the federal Government in November will deprive it of liquid assets it would have had till March or April. I think that is logical. Such is management or the circulation of capital.

Mr. Deputy Speaker: Debate. The Hon. Member for Montreal—Sainte-Marie.