

Family Allowances

Will welfare payments be increased by \$40 per month to make up for this reduction of \$8 per child per month? What will be done at the end of the year regarding the \$200 payment for each child? That amounts to \$1,000 for a family with five children. Such a family will receive \$1,000 at the end of this year. Will \$480 be deducted from that in order to recoup the \$8 per month per child welfare payment increase? I would like to know whether the family in this calculation will receive a cheque for only \$520. The people in some of the communities in my constituency do not understand what this government is trying to do. There must be an answer to such a simple question, and I hope I can receive that answer right now.

Mr. Martin: Mr. Chairman, I think we are wandering a long way from the bill we have before us.

An hon. Member: No.

Mr. Smith (Churchill): Mr. Chairman, we are not straying from the bill at all. My question relates to family allowances, and that is what we are discussing here.

The Deputy Chairman: Order, please. The parliamentary secretary has the floor.

Mr. Martin: I repeat that I think we are wandering quite a long way from the bill. However, my understanding is that the mix of payments received by status Indians will perhaps undergo some change, certainly in the early months of the new year before the credit becomes due, as a result of the reduction in family allowance payments.

Mr. Smith (Churchill): Mr. Chairman, that is no answer at all. The parliamentary secretary says this has nothing to do with this bill. That might wash with some people, but it certainly does not wash with me or anybody else on this side of the House. The government is asking for passage of this bill. Today the minister said we are filibustering, but the government cannot supply a simple answer to a simple question. I think my question is very relevant.

Miss Bégin: Mr. Chairman, I would like the hon. member to clarify whether his question deals with the source of welfare payments to Indian mothers because of deductions which will reflect on the family budget, or whether he opposes the child tax credit being granted to Indian children.

Mr. Smith (Churchill): I will go through it again.

Miss Bégin: That is very easy to answer.

Mr. Smith (Churchill): As hon. members know, most Indian people on reserves are living on welfare because they have no choice. I estimate that on the reserves in northern Manitoba 75 per cent of the people live on welfare. They have no hope whatsoever of getting jobs in the communities in which they live, so they will never earn more than \$18,000 per year. Indians on reserves do not pay income tax on incomes earned on reserves.

[Mr. Smith (Churchill).]

I will try to explain my question carefully again. After indexation Indian families on reserves should receive \$28 per child per month, but if this bill passes they will receive only \$20 per month per child. Family allowances received are included as part of the unearned income of families living on welfare. For an Indian family living on a reserve to receive the same amount it received prior to this bill, its welfare payment will have to increase by \$8 per month per child. What I am asking is whether families with five children will have to pay back \$480 at the end of the year in which it gets a \$200 per child tax credit, or will the government deduct that from the tax credit before the cheque goes out? That is my concern. I hope I have explained it clearly, and I hope I get a clear answer.

Mr. Martin: Mr. Chairman, I think I understand the problem which is being raised by the hon. member for Churchill. Basically the aim is to see that no one receives less as a result of this bill. I think no one will. How the mix will be made up and how this will actually be done is still under consideration, but certainly the idea will be that people will not suffer in terms of the net amount they receive.

Mr. Smith (Churchill): Mr. Chairman, that is all well and good, but I have not heard any explanation. I would like to hear a clear and precise explanation, because if I cannot explain this point to the people I represent, on January 1 there will be hundreds of telephone calls. Hon. members should realize that most of the people in my constituency do not receive daily newspapers, and I know I will be inundated with questions as to why family allowance cheques have been reduced. Before this bill passes committee stage I would like to have this matter clarified. I would like that clarification tomorrow, if I can get it, or even tonight. I would like to have something in writing so that I will have something to present to the people I represent.

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Miss Bégin: Mr. Chairman, we can clarify that tonight. Photocopies of *Hansard* will provide the hon. member with what he wants for distribution. I have put that exact problem to the Minister of Indian Affairs and Northern Development. I wrote to him requesting the co-operation of his staff in setting up a special information program. I made the same point with him that I made with the provincial ministers. The role of the Minister of Indian Affairs and Northern Development in providing welfare for Indians on reserves is similar to that of provincial ministers of welfare for all practical purposes. We want the child tax credit to be passed on to the families. The increase will be \$200 per year per child, minus the reduction in family allowance. As the hon. member said, the incomes of Indian families mostly come from welfare.

In the first two or three months, Indian mothers with large families will suffer to a degree because of a reduction in their family budgets. That decrease in budget will be supplemented by additional welfare whenever it is needed from the usual source, the Department of Indian Affairs and Northern Development. I am referring to Canadian Indians on reserves.