

Close to about 60 per cent of all female lone parents live in poverty. Although this group represents only 3 per cent of all Canadian households they bear 17 per cent of Canada's total poverty burden. This problem must be addressed by all members of the House.

In my riding of Annapolis Valley—Hants there are approximately 2,300 female lone parent households. I have had the opportunity to speak with many of these parents. They have raised many of the same arguments placed before the House today. It has become increasingly difficult over time for single parents to provide adequately for their children. For custodial parents, a single portion of the support payment is lost to taxes. As a result support payments often do not meet the needs of children the payments are intended to assist.

In light of these statistics we must ensure that children of lone parent families do not suffer the consequences of inadequate levels of child support. Unless we address the problem the same children will continue to suffer the consequences of a system that is not providing the effects it was designed to produce.

When the inclusion-exclusion tax policy was developed in 1942 its purpose was to ensure that as much money as possible was going to children of single parent families. By taxing the custodial parent who is generally in a lower tax bracket rather than the child support payer, more money was left over in those times to meet the needs of the children.

However much has changed since 1942. We must ensure that our laws reflect these new social and economic realities. There are more single parent families now than we had in the past. The majority of these single parents are women who after divorce suffer a decline in their standard of living.

• (1840)

Presently there are only three tax brackets as opposed to ten in 1942 as we heard earlier. There is a greater likelihood therefore that both parents earn the same tax bracket. This negates any tax savings that would have been generated in the earlier years.

Upon divorce, family resources are often inadequate to continue to meet the needs of the children or the two households that must be maintained. Therefore by taxing already low child support payments we are in effect taking money away from the families and the children who need it the most.

As the motion indicates child support payments should not be taxed. Instead these payments should be seen simply as a continuation of the obligation of support payers toward their children. By adopting the motion we could help ensure that single parents and their children are not unfairly targeted by a system that is no longer working as it should.

Private Members' Business

In 1989 an all-party resolution was unanimously adopted calling for the elimination of child poverty by the year 2000. While many faces in the House may have changed since then we must continue to support this commitment. I believe the motion offers all members of the House an opportunity to renew our fight against child poverty.

In closing the motion alone will not bring an end to child poverty, but I believe that by supporting the proposed change we can take concrete steps to ensure more money is being directed to those children who need it the most.

[*Translation*]

Mr. Pierre de Savoye (Portneuf): Madam Speaker, I will be brief and to the point. First of all, I would like to congratulate the hon. member for Nepean for her marvellous initiative. This issue has been talked about for a number of years by heads of single parent families but today, finally, a motion is introduced in this House. I hope it will lead to a rapid solution to this problem.

I was already familiar with this issue, but the hon. member for Nepean brought us facts and findings which have made me even more aware of the perverse impact of the taxation of alimony payments for the custodial parent.

I believe that the materials she quoted and the facts she presented, which clearly demonstrated that indeed children in the present situation have less than they had previously, will convince our colleagues in the Reform Party to revise their position and adopt a frame of mind more in tune with the 1990s and shortly the year 2000.

I will conclude by congratulating again the hon. member for Nepean and hoping that this House will strongly endorse the motion and that the government will act upon it without delay.

[*English*]

Ms. Beth Phinney (Hamilton Mountain): Madam Speaker, for many Canadians the taxation of child support payments remains the great divide between their responsibilities as caregivers and their capacity to meet these obligations.

[*Translation*]

As members of the House of Commons, we will have to face this inequality and to bring in fairness.

[*English*]

Current tax laws state that child support payments paid by the non-custodial parent are considered as tax deductible, while the payments received by the custodial parent are lumped into his or her taxable income. On the face of it this law runs against the grain of decades of Liberal policies designed to support families and children.