

Family Allowances Act, 1973

draw to her attention that Family Allowances are payable to all children under the age of 18.

However, I am pleased to speak on behalf of Bill C-132 which extends the six and five program to Family Allowances. In other words, this Bill is another part of the package. Despite its brevity, a scant 17 lines, if I recall correctly, this Bill is an important part of the Government's economic recovery program. I have to emphasize that over and over again. I would like to focus my own remarks on the economic rationale behind this measure for this Bill represents much more than a short-term cost-cutting exercise. It is part of a carefully balanced economic strategy and it is a good illustration that sound economics and sound social policy can work together.

We have heard many lectures on the economy and certain kinds of economics, but this is a good illustration of how sound economics and sound social programs can work together.

The Minister of National Health and Welfare has explained that the Bill is simple enough. The monthly Family Allowance will only be allowed to increase by a maximum of 6 per cent in 1983 and 5 per cent in 1984. After that, full indexation to the consumer price index will resume.

Mr. Gass: You are talking out the Bill.

Mr. Schroder: This is an illustration again that we are not disturbing the system. The system is still there.

Mr. Gass: Question.

Mr. Schroder: The scale of the Family Allowance Program best explains the importance of this measure.

Family Allowances are paid monthly to 3.6 million families on behalf of 6.7 million children under the age of 18. Payments during the 1981-1982 fiscal year totalled just over \$2 billion. This is clearly a Program of such magnitude that it could not be ignored in any effort to restrain over-all Government expenditures. Goodness knows, we have heard enough about Government expenditures and that we should be doing something about controlling Government expenditures. Here we have a program which involves \$2 billion a year, and we are attempting in a way to include this in our six and five program which is an attempt to establish economic recovery. Yet we are being criticized, and we hear said that it is not very much and we should not bother with it. Well, \$2 billion is a lot of money.

Clearly a program of such magnitude cannot be ignored. The effect of Bill C-132 will be to generate savings of some \$265 million over the two-year period, but that is not really that important. What is important is its effect on reducing inflation.

Mr. Taylor: You are filibustering your own Bill.

The Acting Speaker (Mr. Corbin): Order, please.

[*Translation*]

Order, please! It now being six o'clock, the House stands adjourned until tomorrow at two o'clock, pursuant to Standing Order 2(1).

At 6 p.m., the House adjourned, without question put, pursuant to Standing Order.