

Mr. Speaker, I would now like to compare the savings that will be gained on family allowances up to 1991, with the expenditures this Conservative Government is prepared to make until 1991 in the case of those who can afford to make capital gains.

As I said earlier, the Government will take \$400 million from families with children to reduce its deficit in the next five years. At the same time, it will forgo—

**An Hon. Member:** Rob the poor and give to the rich!

**Mrs. Pépin:** —at the same time it will forgo \$1.25 billion because of an income tax exemption on capital gains.

**An Hon. Member:** Shame!

**Mrs. Pépin:** Unfortunately, the impression I get is that the argument of the deficit holds only when they want to reduce social expenditures. When it comes to helping the rich in our society, there is no mention of the deficit whatsoever.

Indeed, the corporation surtax will have disappeared by 1991. The removal of the oil and gas revenue tax will entail a \$2.5 billion loss to the Government, but a gain for multinational corporations. The Government will also lose \$1 billion in special Canadian ownership levies.

Mr. Speaker, in this speech opposing Bill C-70, I am going back to the whole budget debate. Ironically, I am doing exactly what the Minister of National Health and Welfare (Mr. Epp) suggested opposition members should do, that is put Bill C-70 back into historical context.

Bill C-70 makes no sense when viewed in the light of election commitments made by the Conservatives. They promised to maintain social programs to help Canadian men and women through the economic recession.

During the debate on the Speech from the Throne in November 1984, the Minister of National Health and Welfare stated: "It is my duty to give signals and take steps to strengthen the role of the family and give it more importance than ever before in our society".

Today, by removing the indexation of family allowances, the Government is attacking social programs designed to support the family. I wonder what kind of signals the Minister of National Health and Welfare is giving them?

Our social programs are not wasteful. The Macdonald Report points out that Canada ranks in the lowest third group of industrialized countries as far as its expenditures for social programs are concerned. This is what the report says: "Considering the moderate funds which, according to OECD criteria, Canada allots to its social sector, there is really nothing to warrant drawing from the social envelope to reduce the deficit."

With Bill C-70, the Tory Government is denying families with children the maintenance of their purchasing power. At

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the same time, it is increasing taxes on fuel and health products. Family allowances are often the only income going directly to women.

I think that the financial security of women should not be eroded but rather strengthened. By reducing the annual increase in family allowances till 1991, the Tory Government is asking mostly women to make up the deficit.

I would like to recall what the National Action Committee on the Status of Women said before the Standing Committee on National Health and Social Welfare during its hearings on benefits granted to senior citizens and their children. The National Action Committee believes that the assistance now being paid out universally to all parents is too low. Consequently, it has urged the federal Government on several occasions to increase family allowances to a more realistic level. The Committee opposes one of the options in the paper under consideration published in January which would entail a reduction in family allowances. It opposes any actual decrease of the allowance by way of a surtax or a ceiling on cost of living indexation.

On the other hand, the group for the reform of social policies writes in connection with family benefits that the Conservative budget has been said to be increasing the assistance paid to low-income families but actually such assistance will be reduced by 1990, when the combined effects of income tax increases and the reduction of family allowances will offset any gain from the increased child tax credit.

Mr. Speaker, like many pressure groups representing families, children and women, I oppose Bill C-70.

*[English]*

**Mr. Jim Manly (Cowichan-Malahat-The Islands):** Mr. Speaker, I welcome this opportunity to participate in this debate and make my views known on Bill C-70. I feel this Bill is just another nail in the coffin in which the Conservative Government is trying to bury our whole social security program. I especially welcome this opportunity to speak since the Minister has just given notice of a motion he will move for time allocation. I must admit I was a little surprised by that notice after only nine or ten hours of debate on a very fundamental question facing Canadian people. After a mere nine or ten hours, the Minister has decided that the Canadian people have had enough of this debate and there will be time allocation. This is a significant change for the Conservative Party. One need not have a long memory to remember the times when Conservatives at least maintained that they upheld the principle of full and open debate on measures such as the one before us. Now, just nine or ten hours after debate had begun, they wish to shut the lid on it.

It was also interesting to hear the exchange between some of the Conservative Members, the Minister and some of the Liberals over which one of those two Parties had done the most damage to our social security program. The Minister pointed out very rightly that if it had not been for some of the changes introduced by previous Liberal Governments the