

The Income Tax Act defines family allowances as taxable income. I feel strongly that this anomaly should be corrected. I do not say that there are thousands of such cases; there may be only a few hundred, at most. Certainly it is not fair that a grandparent who gets a bit of money because he or she is looking after a child should have the guaranteed income supplement reduced as a consequence of getting that money. Whichever minister is responsible, I hope something will be done about this question.

**Mr. Munro (Esquimalt-Saanich):** They will pass the buck.

**Mr. Knowles (Winnipeg North Centre):** It is not a matter of passing the buck. The bucks are being taken away. I hope that the two ministers will confer further and, if possible, make the necessary correction before we finally pass Bill C-22. I wish it would be done now.

**Mr. Peters:** Mr. Chairman, my colleague raised an interesting point which is of wider application than he supposes, because I have heard of old age pensioners whose children are eligible for the family allowance. I think this general situation may be more widespread than is supposed and may affect more than 200 or 300 cases. It may affect those who are fortunate or unfortunate enough to be old age pensioners and the parents of school age children.

Not long ago I heard of a case in which an old age pensioner had six children under the age of 15.

**An hon. Member:** He should be commended for a medal.

**Mr. Peters:** It seems to me that this anomaly should be corrected in the Income Tax Act, since I do not see how it could be corrected in legislation coming under the jurisdiction of the Minister of National Health and Welfare. Frankly I do not see how any changes in the family allowances legislation could make one hoot of difference to the definition of income in the Income Tax Act. May I call it ten o'clock, Mr. Chairman?

Progress reported.

## PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

### TRADE—DATE AND METHOD OF APPLICATION OF MEASURES GOVERNING INTERNATIONAL BOYCOTTS

**Hon. Herb Gray (Windsor West):** Mr. Speaker, on December 15 I asked the Minister of Industry, Trade and Commerce (Mr. Chrétien) whether the measures the government had announced on October 21 it would be taking to deal with the

### Adjournment Debate

application of the Arab boycott in Canada had as yet been put into effect and, if not, exactly when and how this will be done. The minister replied as reported on page 2034 of *Hansard*:

I have already had conversations with some of my officials in this regard and ordered them to act and implement as soon as possible the rules passed by the cabinet. I believe the orders given by cabinet are, in the main, being followed by governmental organizations.

What exactly does "in the main" mean? Giving the most optimistic construction possible to the minister's answer, it would appear that the measures in question are not yet fully in effect two months after that statement was made. To what extent and in what way has the government ceased to provide the full range of its support and services to companies engaged in transactions involving compliance with the Arab boycott? This was to be one of the two measures.

● (2200)

The statement did not say what steps the government will take to monitor the accuracy of reports required from the companies about their complying with the Arab boycott and what it will do to investigate complaints of non-reporting and what penalties there will be for non-reporting. In fact, we do not know yet what the reporting system will be.

The government will have to be able to answer these types of questions on the two measures in question. Will firms seeking government facilities have to sign certificates or affidavits stating boycott compliance is not involved in the transaction for which support is sought? Also, if government support was being given to transactions under way or pending at the date of the statement, will that support be cancelled or will the measures be retroactive only to the date of the statement, and apply to transactions or activities undertaken since that date, or will they apply only from a future date still to be announced? In fact, what is the effective date of the measures in question?

What sanction or penalty will the government be imposing on those who fail to disclose a transaction which involves boycott compliance when they are seeking government support for it? What sanction will there be against firms who fail to report boycott compliance requests, when they do not seek government support? What monitoring or investigative work will the government carry out to ensure ongoing compliance by business with the measures announced? Exactly what system of reporting to the government instances of complying with the boycott will be required of firms? In fact, what exactly does the government mean by the term "complying?" Perhaps most important of all, exactly what information in these reports will the government make public?

The press and many observers interpreted the October 21 statement as saying the names of firms complying with the boycott and likely details of the compliances as well, would be made public. However, this is not exactly what the statement says. It says only that the "information obtained from such requests will be made available to the public". This could mean the government intends to publish only vague summaries at infrequent intervals without giving the actual names of companies involved and the exact nature of their compliance.