Family Allowances Act

GOVERNMENT ORDERS

[*English*]

FAMILY ALLOWANCES ACT, 1973

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Epp (Provencher) that Bill C-70, an Act to amend the Family Allowances Act, 1973, be read the second time and referred to a legislative committee; and the amendment of Mr. Frith (p. 6625).

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, the move of the Conservative Government to deindex the Family Allowance Act is one to which we are unequivocally opposed. The fundamental effect of the Bill, together with the other measures proposed in the Conservative Budget, is to take from the poor and give to the well to do.

The Government was forced by the overwhelming opposition of Canadian senior citizens to back away from its plan to deindex seniors' pensions. Canadian seniors, men and women, have demonstrated that they are a force to be reckoned with fairly, and they fought off the pension grab of the Conservatives. Now it is Canadian women who are the subject of the attack of the Conservatives—women and the family. Canadian women are having to fight the Government on so many fronts in the battle for economic equality that the Conservatives think they will be able to slip this one by without anyone noticing. Canadian women are watching. They are watching while the Conservatives, frequently in an underhanded fashion, break every promise made to us, Canadian women, in the last election. On the matter of family allowances, it was Canadian women, under Thérèse Casgrain, who struggled to have the first family allowance Bill introduced in the mid-1940s. In subsequent years, family allowances were constantly eroded by Liberal Governments. At one time they even wished to abolish them; they sixed and fived them. They cut them back to the point that we have now reached. Since 1974 family allowances have lost a full third of their purchasing power, thanks to the Liberals.

Now the Conservatives want a kick at the can, as is evidenced by their present proposal to deindex family allowances. However, like the Liberals, they are underestimating the concerns and intelligence of Canadian women. The Conservatives say that they are doing this to protect and to promote the family. The Minister has even said: "This Government wants to bring forward initiatives that will both enhance the Government's position relative to the family and, more important, show that the family is the cornerstone of society". How credible can the Government be when it claims to support the family yet introduces legislation such as we are discussing today which will help to undermine the family?

The Canadian Council on Social Development concludes that the impact of the 3 per cent reduction in the indexation of family allowances proposed by the Bill, combined with other budget changes to family benefits, sales taxes and personal income taxes, will decrease the buying power of a typical family with two children by more than $1,000 in 1990. Contrary to the Government's claim that it is increasing support to the most needy, in fact the poor, middle-income and elderly lose more as a percentage of income in real terms through the combined effects of the Conservative Budget.

The Budget proposals reduce the child tax exemption and deindex family allowances and the child tax credit. In the deceptive style which has become characteristic of this Government, as it was with the Liberals, the child tax credit will be increased for three years prior to being deindexed in 1989, providing some small additional benefits to poor families for a little while. However, benefits will decline by 3 per cent per year so that even the poorest families are eventually worse off. As the Hon. Member for Vancouver East (Ms. Mitchell) indicated, the poor in Canada now number 4.5 million. This figure includes 1.5 million children. While one in every six Canadians live in poverty, the figure for children under 16 years of age is one in five. In 1982 and 1983 the number of poor people rose by 1,100 per day. In my own Province of British Columbia, one in five are living on social assistance because of years of Socred-style fiscal management. Nowhere is the depression of the eighties more vivid than in British Columbia.

British Columbians are further suffering because of another action of the Conservative Government here in Ottawa. It recently cut federal funding to the voluntary unemployed action centres of the B.C. Federation of Labour, the last remaining lifeline for many unemployed families in that province. The Government does not care, as it says it cares, about the survival of the family in British Columbia and in Canada generally.

The Government says that we cannot afford adequate family allowances and that it would rather give that money to private investors, under the naive and misguided belief that giveaways to the private sector will fuel the engine of growth and create jobs. We in this Party would like to know how the economy is better off and how growth is generated when $1 is taken away, for example, from a low or middle-income earner in British Columbia and is given to a high-income investor in Toronto to buy real estate in Florida. Where is the economic sense in this supply side miasma of the Conservative Party which squeezes the buying power of the low and middle-income Canadians to line the pockets of the well to do or rich. It is all based upon some mystical notion that the private sector, in its usual benevolent manner, will reinvest that prize in Canadian jobs and Canadian industry. Certainly that has not been the case in British Columbia, nor has it been the case in most of the rest of Canada.

These are not the actions of a Government which has a firm grip on the economic realities of this decade or on the kinds of policies which will fulfil the Government's own declared intent, namely, of supporting and enhancing the support of the Canadian family.

We in the New Democratic Party urge the Government to withdraw this regressive piece of legislation. We beg it not to make it any harder than it now is for families already strug-