

*Family Allowances Act*

Hon. Member spoke of the immorality of depriving that poor little duffer. I agree that it is immoral but what is surely more immoral is that that Hon. Member and all Hon. Members of the NDP who happen to have two children are taking 79 bucks a month in family allowance payments. We know that the top tax rate in this country is 50 per cent. It is surely more immoral for us to take that money while that little duffer does without, and that is the goal of this Party.

**Ms. Mitchell:** Let's have fair taxation then.

**Mr. McCurdy:** Make it more progressive. We agree with you.

**Mr. Thacker:** We are trying to have the people who make more money give up that family allowance. Members of the NDP are trying to keep that money because of sheer personal greed.

**Some Hon. Members:** Oh, oh!

[*Translation*]

**Mrs. Lucie Pépin (Outremont):** Mr. Speaker, I am delighted to rise in the House to deal with Bill C-70 and try to focus the debate again on the children and not on what is now going on in the office of the Prime Minister (Mr. Mulroney) or in the office of the Leader of the Opposition (Mr. Turner). I should like to say how surprised I am to hear that the Minister of National Health and Welfare (Mr. Epp) would like this debate to come to an end, thereby muzzling the Opposition which is trying to defend Canadian families. I am also somewhat disappointed, because the role of the Minister of National Health and Welfare is to protect Canadian families, women and children. He is clearly trying to muzzle the Opposition.

I feel it is most important to emphasize that family allowances are just about the only social recognition women get for having and raising children. I think it is also very important to emphasize their particular nature.

In 1944, the Government of the day adopted legislation providing for family allowances because of the distress of poor families and the extremely high infant mortality rate at the time. It can be said that poverty today should be one of the major reasons for maintaining family allowances.

I think it is necessary to maintain the universality of family allowances to avoid the group within our society receiving allowances being stigmatized and because selective social programs would cost a lot more to administer and absorb the resulting savings. Today, it is not the universality of family allowances which is being questioned, although the Government is often tempted to establish a beach-head in this direction.

What we are dealing with here today is a possible reduction of the purchasing power of families with children, because family allowances will no longer be indexed on the cost of

living increase, but rather on the excess of this increase over 3 per cent.

I listened to the Minister of National Health and Welfare when he introduced his bill. He said among other things that the difference between what he is proposing and a normal increase of the family allowances based on the consumer price index was only \$22 per family per year. He emphasized also the steps which the Liberal Government had taken in 1976, 1983 and 1984 to reduce the annual increase of family allowances.

Let us examine closely the arguments put forward by the Minister of National Health and Welfare to see if they will stand the test of a serious and thorough analysis. In 1976, the Government decided not to increase family allowances and, in 1983-84, it decreed an increase of 6 and 5 per cent, in line with the program it had implemented to end the economic recession. What we must understand is that each time a Liberal Government was compelled to limit the yearly increases, it implemented temporary measures and, the following year, everything returned to normal.

We should emphasize that the purpose of its budget restraints was not to reduce the deficit. The Liberal Party has never tried to solve the deficit on the backs of the poorest of the poor. What do we have here? When we consider the historic background, we realize that the purpose of Bill C-70 and the budget tabled on May 23 is to impoverish our middle and low income families gradually.

What is involved is not a mere \$22 per family, Mr. Speaker. To cry out that \$22 is peanuts is to miss the point. Liberal members are not as near-sighted as Conservative members. We are well able to see what the Budget and Bill C-70 imply for the coming years.

This is why I have no problem stating that what the Liberal Party did in 1983-84 with its 6 and 5 program was small beer compared to what this Conservative Government wants us now to swallow.

● (1640)

If you look at the table of estimates for up to 1991, you will see that for the fiscal year 1985-86, the Conservative Government will be taking \$20 million out of the taxpayers' pockets by reducing family allowances. That figure is increased 20 times for the fiscal year 1990-91. This means that the Government is considering family allowances as its future reserve for solving deficit problems.

Old age security benefits also were a very significant source of revenue that would have been used to wipe out the deficit had it not been for the firm step taken by the senior citizens in coming here to remind the Government last June that their duty was to support our elders, those who helped make Canada what it is today.