

Income Tax Act

credit, if there is not to be a change—perhaps there will be a change, because I recognize there is some small heart palpably beating in the chest of the Minister of Finance—will be reduced by that period.

I ask this Government why it would not adopt a social policy which reindexed the family allowance and took the child tax credit and made it something real and significant to the women and single-headed families who receive it. At its present level it is helpful and it will be more helpful to receive it in different amounts rather than all at once, but it could be so much more helpful.

● (1520)

For instance, it could replace the regressive child tax exemption with an 80 per cent increase which would consequently be possible in the child tax credit. It could also increase the number of families receiving child tax credit if the Government had the will to eliminate tax exemptions for children of very well off families. In short, there could have been a serious effort in this Bill to move toward child based tax reform aimed at getting rid of poverty in Canada to a much greater extent than we presently have with this sadly inadequate piece of legislation before us this afternoon.

We have gone through second reading debate and clause by clause consideration in Committee of the Whole. It will not change. However, I strongly urge the Government to look in the future at a serious set of changes which would provide child tax credits that would be a credit to our society. I am referring to child tax credits which do something serious for young children in society. It could give them a significant level of support when their families are unable to provide it for them, not the very limited level of this year.

We in the New Democratic Party have called for this kind of tax reform for years. We continue to call for it. We continue to point out the serious gaps which exist in the tax system, gaps which leave hundreds of corporations untaxed despite the fact that they are profitable. As well, thousands of individuals are untaxed at this stage. If we moved on the child tax credit area with urgency, imagination, and some seriousness, we would have before us a tremendous advance forward for poor people, not this second rate piece of legislation. On this Friday afternoon I think all of us would be much prouder in that case.

Mr. Bill Tupper (Nepean—Carleton): Mr. Speaker, I am delighted to rise this afternoon on behalf of my constituents in Nepean—Carleton and share some of my thoughts about the legislation before us.

Bill C-11 is an Act to amend the Income Tax Act and it relates to an advance payment under the child tax credit program. I congratulate the Hon. Minister of State for Finance (Mr. Hockin) on the first piece of legislation he has introduced into the House. It is a remarkably welcome piece of legislation, not only to my constituents but to all Canadians.

It is interesting for me to follow the Hon. Member for Essex—Windsor (Mr. Langdon) this afternoon in participating in the debate. Not only he but the Party which he represents advocated just this type of legislation. I was disappointed in many respects to hear him refer to Bill C-11 as second-class legislation. In fact, I was terribly disappointed. I hope that this is not an indication of the position of his Party on the types of programs the Government is introducing to assist the needy.

Also, it is interesting for all of us in the House to recognize that the Conservative Government has introduced social legislation, which I hope will be supported by the NDP, to help the needy, not only in my constituency but in eastern Ontario and throughout the rest of Canada.

This piece of legislation builds upon what the Government has done for spouses by lowering the age at which they qualify for support from 65 to 64 and for veterans and their families. I could also refer to other accomplishments. It builds upon Bill C-84 which increased the child tax credit from \$70 to \$454 this year. It will be increased further so that in 1988 it will amount to \$524 per year. It was very progressive legislation. It also builds upon Bill C-83 which restricted the amount of tax refunding that could be associated with discounting, an activity which deprived many needy families, especially single parent families, of funds and income which they so richly deserved. On top of that, it builds upon the Government's Budget indicating its intention to introduce into the House this fall legislation to increase or provide a refundable sales tax credit of \$50 per person and \$25 per child for families with annual incomes under \$15,000. This is part of a process by which the Government is attempting to meet the needs of our constituents, the needs of the needy in society. I am proud to be part of a Government which has a soul, a heart, and a willingness to proceed with this type of program.

We in the Chamber are very sensitive in this regard because we become perhaps more familiar with the needs of the needy in our local communities than others who may be sheltered from them. In our day to day lives of working with constituents, hearing their concerns, meeting with them in their homes, and knowing their problems firsthand, we readily grasp the need to reach out and help them. That is what this piece of legislation is doing. I am proud to be part of a process which allows us to do that. My constituents are no different from others.

As the program goes forward, it will provide a payment of \$300 or two-thirds of the total payment for every child in the country. It will reach out to nearly three quarters of a million families across the land. It will apply to about 1.3 million children and families with incomes under \$15,000. More important, it will come at the onset of winter when the needy require winter clothes and boots and a variety of things to prepare themselves for the coming season. This pre-payment is going automatically to all of those families whose income is under \$15,000 a year, and in a pro-rated way to those families whose income is slightly greater than that.