

individual must have been the recipient of the family allowance for January and must not have had income in excess of the regulated amount, which is up to \$23,500 for the full child tax credit. This is to say that an appeal on the basis of the inequity which this amendment attempts to correct is non-existent. There really is no appeal under these exceptional circumstances.

It is not the purpose of this amendment to complicate the administrative procedure for the Department of National Revenue and the Department of National Health and Welfare. It must be pointed out that eligibility for the family allowance can be changed from month to month, and that the loss of one month's family allowance for one child is a matter of \$31.58. The amount of the child tax credit is now \$454 per child, a very considerable amount, especially for a low income family or a single parent mother.

Most people have no idea that eligibility for the child tax credit hinges upon collecting the family allowance for the month of January, that is, next January. In the previous legislation it was the past January, quite a different circumstance.

● (1410)

We suggest that it should not be a terribly complicated or expensive procedure for the Department of Health and Welfare to exchange data with the Department of National Revenue indicating who has been the primary recipient of the family allowance for the accounting period between the beginning of the taxation year in January until preparations must begin to prepare pre-payment cheques. The child tax credit will be prepaid in November so at minimum there is a period of nine months and at maximum 10 months which could be used.

Mr. Hockin: Mr. Chairman, I appreciate the constructive suggestion of the Hon. Member. I think the concern that she is showing is relevant to the Bill, and I would like to set her at ease.

The family allowance and child tax credit files are constantly being updated. Custody updates are being done on a regular basis by National Revenue. Therefore, the pre-payment will go to the parent who cared for the child up to the pre-payment because the records are kept up to date. Therefore, the concern which the Hon. Member rightly addressed will not arise. If there is a change in custody, the new supporter of the child will get the balance which reflects his or her portion of the care. I ask the Hon. Member to trust the fact that the records are being updated and being kept updated so that these pre-payments will go to the proper person. That is what we are told is the case.

Mr. Chairman: I would like to advise the Hon. Member for Vancouver East that I have not ruled yet whether the proposed amendment is in order. Nonetheless, I will allow the Member to speak on it.

Income Tax Act

Ms. Mitchell: Mr. Chairman, I am just asking for clarification of the point. My understanding is that the change of criteria in this Bill as to who is the care giver and who is entitled to get this money makes it the person who is the official guardian as of next January, not last January. Even if the records are up to date, they do not really know in advance who that is going to be. That is pretty loose kind of criteria it seems to me.

Mr. Hockin: Mr. Chairman, I have trouble understanding how we could have the slippage to which the Hon. Member is referring. If we are up to date with these custody files and family allowance files, I cannot understand how we could have the gap that the Member is identifying.

[*Translation*]

Mr. Garneau: Mr. Chairman, I should like to ask the Minister how he can explain the substitution of the word "is" for the word "was" and why this was done?

[*English*]

—was or is. In the former clause of the same Bill we were using the word "was" in "was entitled". Now we are using the word "is" in "is entitled". Is there a particular reason for that?

Mr. Hockin: Mr. Speaker, I appreciate the Hon. Member's question. The word "was" refers to "was entitled in 1985". That is why it reads that way. We have to initiate this Bill at some calendar year. The "was" refers to 1985. The cheque people are going to get shortly is based on that "was", which was 1985.

Mr. Garneau: Thank you, Mr. Chairman.

The Chairman: The Chair is now ready to rule on the proposed amendment of the Hon. Member for Vancouver Kingsway. In the opinion of the Chair, the proposed amendment goes beyond the scope of the Royal Recommendation of the Bill. We would need an amended Royal Recommendation, which we do not have. Therefore, the proposed amendment is ruled out of order.

Mr. Althouse: Mr. Chairman, I rise on a point of order. Would you reconsider that? I fail to understand, after looking at the amendment and having heard the explanations, that any more money will be expended. It will simply direct the money to the people who are looking after the child at the time. Since it specified for the whole of the year, those over-all global expenditures would have been made in any case. What it may do, as I understood the explanation, is divert the money from someone who is no longer the guardian of the child to the current guardian of the child—

Mr. Mazankowski: It changes the intent of the Bill.

Mr. Althouse: —which does not change the over-all amount of money that was to be put forward and it does not change the Royal Recommendation therefor.