

confident that the provinces will pass it on even though I have not yet received their formal commitment.

I have already met with five of my provincial colleagues. I will be meeting with all of them this month when this topic will be on the agenda. Under the act from a federal point of view, I confirm to my provincial colleagues that I will not consider this new child tax credit as income, thereby clarifying for them that they too should not consider it as income.

The sixth point concerned the appearance of the form and the complexities of using a tax form for 1.5 million mothers who receive family allowance but who are non-filers. The form has not yet been finalized. Our objective is to design the simplest possible form for mothers. We want them to apply and to receive the money set aside for them. Most will be non-filers because they are either on welfare or do not earn enough to pay tax. We are conscious of that and, if possible, will try to design a simple one-page form. However, we repeat, the final decision has not yet been made.

The last point raised by the hon. member was, strangely enough, with regard to SIN.

Mr. McGrath: That is, the proper use of SIN.

Miss Bégin: I do not wish to comment on moral grounds. The social insurance number is now required under section 237 of the Income Tax Act. If the form is devised to use the tax machinery and is connected to the tax system and, as the bill describes, we will check the income of the tax filers in cases where the parents are tax filers, we will probably invite mothers to write their social insurance number on the new form. If they do not have one, they will be asked to obtain one. This can be done very simply by filling in the form which is available at post offices or other government offices. I hope this answers the hon. member's questions.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I appreciate the fact that, when the minister spoke during the debate on second reading, she dealt with some of the points I raised. Indeed, she dealt with two very important points. However, there are one or two others which I should like to invite her to speak about at this stage.

The two extremely important points that I raised in my speech on second reading and on which the minister commented were the matter of universality and the principle of indexation. I want to say again how much we welcome the fact that, even though a change is being made in the system of family allowances, we are maintaining the system of universality inasmuch as there will be a family allowance payment for every child in Canada up to the age set out in the legislation.

● (2042)

There was brought to my attention recently a statement which appeared in the "18th Annual Review" of the Economic Council of Canada. A new member of that council, Mr. Kalmen Kaplansky, commented on universality in a sentence or two that I think put it very well:

Family Allowances

The universal social security schemes now in place have been evolved painstakingly over a long time. That they are now as universal as they have become derives from the belief, well tested in experience, that universality is the way best to minimize arbitrariness of any kind in the delivery of these programs, and, accordingly, the way best to safeguard the dignity of each and every individual who comes into contact with them.

I have said a good many times with respect to old age pensions that it made all the difference in the world when the plan became universal. And it made all the difference in the world to family allowances when they were made universal. I am glad the principle has been continued and I appreciate the strong words the minister used in that connection when she spoke on second reading.

I am also pleased that as far as the continuing operation of this legislation is concerned, indexation is being maintained. It is true the government took away the indexing of family allowances for a year a while ago and that the government is taking away for 1979 all the indexing that has been accumulating since the basic rate was set at \$20. Nevertheless, it is clear that in January, 1980, the \$20 rate will be escalated in accordance with the rise in the consumer price index. It is also true that the \$200 refundable tax credit will be escalated in 1980 and so will the \$18,000 cut-off point. These are important aspects of our social security program and I am glad that, despite the voices which have been heard against continuing these principles, they still hold in this important piece of legislation.

These are two of the points I made on second reading. I am glad the minister agreed with me and perhaps expressed her views in even stronger terms than I did. There were also other questions I asked hoping that they would be dealt with at this stage. She has already touched on one of them. I indicated that in our view it was extremely important to get commitments from the provinces that they would not take advantage of the refundable tax credit and take away from needy families that amount of money or any portion of it. I was glad to hear she has made this representation to the provinces but I am sorry that she has not received any commitment from them. I do feel she should stay with the issue until she does. We cannot deny her this legislation if the provinces do not play ball, but to my mind it is important they should recognize the nature of this legislation and agree not to make any reductions in any other programs because of this refundable tax credit. As the minister has said, this credit is not to be treated as income as far as this government is concerned. That is good. I hope the provinces will be Canadian and follow suit.

Another issue I raised when speaking on second reading is one in which the minister showed some interest. I do not think she has yet commented on it. I refer to the changes which are being made in the way the consumer price index is computed. We have been told that the importance of food in the basket of goods and services which is used to make up the index is being downgraded. If there is any sector of our society to which the food component is important it is our children. If the change in the consumer price index results in a lesser indexation in 1980 or 1981, then a great disservice will have been done to the poor families of this country. The minister has just said, and I