

*Income Tax Act**[Translation]*

—as we say in French a government who “donne” and “dédonne”.

● (1620)

*[English]*

**Mr. Murphy:** Mr. Speaker, I would like to ask a question of the Hon. Member for Saint-Denis (Mr. Prud'homme). I think he gave an excellent speech. Because he was unable to be here earlier I believe there are one or two matters he missed in the debate. I would like to hear his comments on some of the remarks made earlier. I do not think the Hon. Member will find it that difficult.

One thing that has been said by other Members is that they believe that this legislation should have included in it a clause to prevent tax discounters, those rip-off artists, from making use of the money that comes from the child tax credit. That is one omission in the legislation which is before us. I would like to hear the Hon. Member's valuable opinion on that point.

**Mr. Prud'homme:** Mr. Speaker, I must say that I am pleasantly surprised by the tone of the Hon. Member for Churchill (Mr. Murphy). I remember when we used to exchange very rough comments in debate. I realize, now that we know each other better, that we have toned down the questions we ask of one another.

The Hon. Member makes an excellent suggestion. Perhaps the Hon. Member would join with me in sponsoring a private Member's Bill which would undertake what he suggests. After all, who is making the money? I think the Hon. Member has put forward a new approach which shows that Liberals and Liberals in a hurry can sometimes see eye to eye.

The fact is that in 1985, 500,000 Canadians sold their cheques to tax discounters. These people stood in line at some point in their lives to sell to a tax discounter that which may have been coming back to them some other day. I look at the Minister who knows I am sincere on this point since he is also interested in ameliorating legislation and using the approach put forward by my esteemed colleague, the Hon. Member for Churchill. I think the Hon. Member and I should commence deliberations, perhaps with the Hon. Member for Gatineau (Mrs. Mailly) in order to make the discussions non-partisan, with respect to sponsoring a private Member's Bill to stop these discounters. There is an element of sadness in seeing people in my riding line up at income tax time to sell their returns.

I have just returned from an International Parliamentary Union meeting which was held in Argentina. On my way back to Canada I stopped in Brazil. At 5.30 in the morning in Rio, where I was one morning changing planes, I saw thousands and thousands of people in line to obtain meat. Meat, eggs and butter have been rationed in Brazil. However, I only saw the poor people in the lines. It seems that the rich always find a way not to stand in line. The lines in Brazil reminded me of the lines which I have seen in my riding in Montreal. Perhaps it is

not the same in all ridings. I look to the Hon. Member for Beauce (Mr. Bernier), who is the new Assistant Whip. Maybe the situation is not as crucial in his riding. However, when I am in downtown Montreal, Toronto or Vancouver and see people standing in line in order to obtain a few dollars which may be coming back to them, I find it very sad. These tax discounters are giving perhaps 15 per cent to these people so that they can have money immediately as opposed to waiting for it. I would highly welcome a law which would rid us of these tax discounters.

I thank my friend and colleague from Churchill for having asked me the question which he asked.

**Mrs. Finestone:** Mr. Speaker, I am pleased to make some observations and to ask my colleague a question. The measure before us is a good measure. It will meet some of the needs that are crying out to be met in today's society. The Hon. Member brought to our attention that this whole concept was conceived by the Hon. Monique Bégin. It is an administrative change and one which is very important. I join in the concerns expressed recently with regard to the tax discounting procedure and the fact that discounters are allowed to remain in business in this country under certain provisions of the law. There is in the United States a prohibition against all tax discounters. We could have in place in our country such a prohibition against the sale of child tax credits to tax discounters. Since that is already the practice with respect to family allowance cheques and old age pension cheques, it would be a normal procedure. I would like to see the Government abolish tax discounting.

The first question I have to ask of the Hon. Member relates to the fact that the payment will be only \$300 of the \$454 due to those eligible to receive the child tax credit. Some part of the \$300 might be taxable.

My second concern is with respect to the fact that one has to file for the balance of the \$454. Many recipients of the child tax credit do not even file income tax returns. I am concerned about their being able to pick up the remaining \$154 which is their due. I would prefer it if they were to receive the entire sum in one payment.

I ask my colleague whether or not he sees the differential cut at \$15,000 instead of \$23,000 as something which is very punitive. Does the Hon. Member think that the \$15,000 mark is the proper place to draw the poverty line? The information I have is that \$15,000 is \$6,000 below the actual poverty line, which is approximately \$21,000 in the Hon. Member's riding and in my riding. What does the Hon. Member think of the discrimination against one who earns \$15,000 and one who earns \$21,000?

*[Translation]*

**Mr. Prud'homme:** I thank you, Mr. Speaker.

*[English]*

I mean it in all sincerity. My colleague has put forward a good question. I agree with what she has to say, the situation is