

*Oral Questions*

I might add that this issue was referred to a parliamentary committee for full study and public debate. I understand some 300 briefs have been submitted. Surely that is the appropriate forum and the appropriate way in which Canadians and the Parliament of Canada should be involved in realistic and legitimate tax reform. I invite the Hon. Member to participate in that process.

**Mr. Garneau:** Mr. Speaker, the point of view expressed by the Right Hon. Leader of the Opposition was confirmed by the Economic Council of Canada yesterday. We are not picking that out of the air.

## CHILD BENEFITS

**Mr. Raymond Garneau (Laval-des-Rapides):** Mr. Speaker, I would like to address my question to the Deputy Prime Minister. Yesterday, a leading expert on the Canadian child benefit system, Mr. Shillington, confirmed what I and the Official Opposition have stated time and time again, that the Government does not care about the average Canadian family. Why is the Government slashing child benefits by 46 per cent, from \$955 in 1984 to only \$508 in 1991 for the average middle-income family?

**Hon. Jake Epp (Minister of National Health and Welfare):** Mr. Speaker, the Hon. Member's allegations need a little more examination because he is using statistics in a fairly selective manner. For example, there were the changes to the child tax credit instituted by this Government. There was an increase in child tax credits as against changes in family allowances. Those changes gave more money to lower-income families. I remind him that we also paid a large part of the child tax credit at an early date so that, among other things, parents could buy winter clothing for their children.

The Hon. Member should remember that social policy groups generally, whether they agree with the tax reform package or not, have generally advocated movement from tax deductions to tax credits. This would benefit families, especially low-income families and the poor. If he wants to look at tax reform, he should look at it as a package based on those principles.

**Mr. Garneau:** Mr. Speaker, I think the Minister should read tax reform in the Bill adopted by this House. First, the child tax credit was not implemented by his Government but by Monique Bégin when she was a member of the Liberal Government.

**Some Hon. Members:** Hear, hear!

[Translation]

## GOVERNMENT POSITION

**Mr. Raymond Garneau (Laval-des-Rapides):** Mr. Speaker, when I told the Minister that benefits for middle-income families had been cut by 46 per cent, I included, as did Mr. Shillington in his brief, the partial de-indexation of family allowances, reduction in tax deductions for dependent children,

lowering of the cut-off point for the child tax credit and for the new child tax credit included in the tax reform proposals.

I will repeat the question for the Minister, since he seems to have forgotten what his Government has done. On the basis of all these factors, we have to conclude that the average Canadian family—and this was confirmed by an expert yesterday—will see its child care benefits drop from \$955 in 1984 to \$508 in 1991, a reduction of 46 per cent.

What does the Minister intend to do about this and what is he going to suggest the Minister of Finance do to make the system more sensible?

● (1425)

[English]

**Hon. Jake Epp (Minister of National Health and Welfare):** Mr. Speaker, the Member essentially repeated his question and I, therefore, will essentially repeat the answer. He said that I indicated that it was this Government that instituted the child tax credit. I did not say that. I said that we had increased the child tax credit and that that was generally endorsed by social policy groups as more favourable than changes in the family allowance.

I also said that as a principle of social policy social policy groups have generally, for many years, endorsed a movement more toward credits relating directly to families as opposed to whether or not they are in tax-paying income brackets. I said that the tax reform package philosophically moves further in that direction than we are now as a society.

If the Hon. Member wishes to analyse those things he should analyse the entire package rather than selecting any one percentage.

[Translation]

## FOOD TAX—OPINION OF ECONOMIC COUNCIL OF CANADA—GOVERNMENT POSITION

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, my question is directed to the Deputy Prime Minister. According to the Chairman of the Economic Council of Canada, the Government should tax food because the rich in Canada spend a lot of money on food. Someone should tell the Chairman that in Canada, the poor spend more on food as a percentage of their income than the rich.

My question is a simple one. Does the Government agree with the line of reasoning followed by the reactionary Chairman of the ECC?

[English]

**Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board):** Mr. Speaker, I think I answered that question in response to the Right Hon. Leader of the Opposition.

**Mr. Broadbent:** No, no.