

Family Allowances Act, 1973

I repeat, Family Allowances are a right. Family Allowances must not be considered welfare. They must be fully indexed to the real cost of living, not to a six and five reduction in the cost of living beginning next year. Since the Liberals want to target those most in need, why do the Liberals not reform the tax system and have the higher income people pay more and the lower income people receive more? Of course, we are in favour of the Child Tax Credit system. In fact, we would like to see this system expanded to a guaranteed annual income. That is not to say that we should not have a universal Family Allowance Program as we have described it.

The Liberals, through Bill C-132, are signalling to us and to Canadians their willingness to erode the universal Family Allowance system in Canada. The Minister can deny this, but we have quotes from the former Minister of National Health and Welfare who is now the Minister of Finance (Mr. Lalonde). On November 3, 1982, he said:

The Government may end universality of the family allowance program but will not cut old age security benefits.

According to the article, we find:

Lalonde said in an interview he disagrees with some of his colleagues who say universal social programs are a basic principle of Liberal philosophy.

And he believes Canadians may be ready to swallow an end to universality of family allowance in which all parents, regardless of income, receive monthly benefits. He thinks they may be ready to accept that such benefits should go to those most in need.

Another sentence from this article reads:

But he said family allowance is an open issue on which he hopes there will be a cool-headed, rational debate.

When our leader questioned him in the House a few days later, the Minister began to back down and waffle and said that he was not abandoning the principle of universality but he still was going to keep an open mind on this question.

The Minister of National Health and Welfare can say all she likes about retaining universality, but that does not sound like a very permanent commitment to us.

We also know from press reports that the Liberal Government during the summer, and the Cabinet in particular, was considering the whole concept of universality as it affected old age pensions as well. The Liberals, being very pragmatic, did not have the guts to go against the political reality, and when they heard from their supporters, even Liberal Members from right across the country as well as middle-income and higher income people, that they would not tolerate a cut in the Family Allowances, this is when the Liberals backed down. It is not because they believe in the Family Allowance in principle. No, that has never come into the question at all. It is simply political pragmatism, as it is with the Conservatives.

Speaking of Conservatives, I would like to know what their position is on universal social programs. The Hon. Member for Kingston and the Islands (Miss MacDonald) said not a word about this. All she talked about was the ad hocery of programs and the specific amount. She did not once affirm that the Conservative Party believes in universal Family Allowances for Canadians. Indeed, we have information which indicates that when the Tories were in Government very briefly in 1969, they

had already begun a process to dismantle the universal Family Allowance Program.

• (1640)

Mr. Lewis: That is a lie.

Mrs. Mitchell: Let us have a statement to the contrary.

Mr. Lewis: You produce it. You made the statement.

Mrs. Mitchell: I would like to hear from the Hon. Member for St. John's West (Mr. Crosbie) the Minister of Finance at that time. What hypocrites both the Tories and the Liberals are. What a shame it is that political expediency is their only reason for retaining the Family Allowance Program at all.

We in the NDP will not tolerate an erosion of the Family Allowance Program in Canada. We do not say this because it will get us votes or it is politically expedient, but we believe that this is a basic principle of a democratic and enlightened society. It is the foundation of our social democratic philosophy. If one examines the practical governments and the practical economic and social achievements in the Scandinavian countries, West Germany and Austria which have had social democratic governments, one will see that it has worked well both from an economic and social viewpoint.

We will not join the Liberals to victimize Canadian children. We insist that there must be a retention of full indexing on Family Allowances. As I said earlier, we believe that Canada's children are our number one resource. They are the responsibility of society as well as a family responsibility. I heard one Conservative Member laughing and making a joke of this remark when I said it earlier.

Mr. Lewis: Which one?

Mrs. Mitchell: Family Allowance is a right. It is not a gift. Its purpose is not simply to give children a nice present so that their parents will vote for the Liberals or the Tories. The Family Allowance is needed to cover the extra cost of having and raising children. Surely in today's world it is needed more than ever.

Our regret is that the payments cannot be higher at this time. We also regret that the Liberals will do nothing to implement a more just tax system to recover some of the costs of that Program from those who need it least.

Let us discuss dollars and cents for a moment and review the Government's spending priorities. The total cost of Family Allowance is approximately \$2 billion. The amount that the Government will save by imposing this reduction in the cost of living index under Bill C-132 is approximately \$320 million. In view of all the other priorities and areas where cuts could be implemented, I wonder if the Minister believes that she has chosen and supported the proper program to cut. For example, one can consider our obsolete F-18 fighter planes. One plane costs \$37 million. We have ordered 138 of them at a total cost of \$5.2 billion. Are these airplanes more important than Canada's children and a universally protected Family Allowance Program?