

I would like to quote from an article in *The Globe and Mail* dated November 3, 1982, with reference to the Minister of Finance (Mr. Lalonde). It states:

The Government may end universality of the family allowance program but will not cut old-age security benefits, Finance Minister Marc Lalonde said yesterday.

He 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.

The Minister of National Health and Welfare is on the other side in this debate. On November 4, from *The Citizen* we have this statement:

Health Minister Monique Bégin said Wednesday the Cabinet has decided not to restrict family allowance because of the current recession.

But she acknowledged that in future there may have to be a "redistribution" of funds for all social programs which would mean some of them would no longer be universally available.

She is not quite sure whether universality is such a good thing. She went on to state, "Nothing is permanent in life".

The recent Liberal Party policy convention got some of these people off the hook because there they were forced by public demand, and Hon. Members know what the Liberal Party is like. It makes its policies by consensus. The convention decided that it would reaffirm the support for universal Family Allowances. That might be what the Liberals said they would do, but there seems to be a difference amongst them as to whether universality is a Liberal penchant or not. This Bill, the Minister of National Health and Welfare says, does not touch universality. As far as it goes, that is true, but the Minister admits that it puts many families below the poverty line. The Minister said that, but then she said, "Well, we will take care of that". As reported at page 21178 of *Hansard* for December 1, 1982, she said:

There are three elements in the system. One is the well-known Family Allowance which is taxable and goes to every child in the country through his or her mother. Another is the Child Tax Credit, of which I must say we are very proud and which was introduced in 1978. It is a mechanism to distribute the benefits only to those with the least income.

If that is universality, we have the wrong meaning. The Minister went on to say, "The Child Tax Credit is received in addition to family allowances". Therefore, what the Minister has accepted from her colleagues is a movement away from universality. By not allowing the legal indexing she is reducing the amount of money that can be received in favour of Child Tax Credits, which is a selected tax credit.

● (2130)

I do not oppose tax credits as such, if it is the best that this Government can do to keep families alive. If they cannot solve the problem any other way, we will accept that as one of the solutions. But let the Minister not say that she is not introducing a selective program and let her not discuss how careful she is to support and how often she speaks in defence of universality.

Family Allowances Act, 1973

The same thing is happening to the old age pension. The song played by the Government has been: reduce the universal pension and increase the Guaranteed Income Supplement. Again, this is a reduction in the universal program and an increase in the selective program.

The Minister has lost her fight within her Party. The rank and file of the Liberal Party have lost their fight to maintain universality. Instead, universality of social programs is no longer a basic policy of the Liberal Government.

Mr. Blais: Stan, you do not know what you are saying.

Mr. Hovdebo: The Liberal Government has struck out on this issue. They struck out, first of all, on Family Allowances, which is no longer an entirely universal program because it is supplemented by selective tax credit programs. Old age pensions are no longer a universal program. They are supplemented by the Guaranteed Income Supplement. Medicare is no longer a universal program because this Government and many of the Provincial Governments allow extra billing. So the Liberals have struck out, and regardless of how many bases they steal in the next few weeks, they have struck out on social programs.

The Tories have been expressing a great deal of outrage at the possible end of universality, but the Conservatives are not all lily-white in this respect either. In fact, their move against universality came some time ago when they were in power. I can read you the following selection from *The Toronto Star* of November 3, 1979:

The Clark Government is planning to eliminate or drastically reduce both family allowances and income tax deductions for children. The *Star* has learned.

Family allowances, which have been paid monthly to Canadian mothers with dependent children since 1945, would no longer go to families earning \$35,000 or more a year. Tax deductions for dependent children, which date back to the introduction of income tax in 1917, would disappear.

Both would be replaced by the child tax credit system, which would benefit people at the lower income levels and give nothing to those in the upper income brackets.

That, Mr. Speaker, is the Conservative position, and a few days later we have this from *The Citizen*:

Several times Welfare Minister Crombie responded to questioning in the House with the suggestion that the Government was seeking ways to "provide money to those who most need it".

But challenged by the NDP's Bill Blaikie for assurances that "money saved on any detraction from universality . . . will be used for the benefit of low-income Canadians", the minister declined to do so.

So the Conservatives have also abandoned their long time position on universality. However, in this House in the last few days they have been telling us on and on and on that they support universal programs.

The Acting Speaker (Mr. Corbin): The Hon. Parliamentary Secretary to the Minister of National Health and Welfare is rising on a point of order.

Mr. Schroder: Mr. Speaker, I would like to bring to the Hon. Member's attention that there is nothing in this Bill which states any kind of change in the universality.