

*Family Allowances*

Canada Pension Plan, for which nobody has yet come up with the right answer, is related to the following question: Who will pay the employee and employer contribution? It seems to us that what is proposed to date by the hon. member would only benefit high income families as the husband might give to his wife the money required to pay both contributions.

On the second point, the hon. member referred to his colleague from Egmont (Mr. MacDonald) and asked if the tax credit is high enough to be a deterrent for some mothers who would want to take a job outside. I believe that \$200 per child would not be a deterrent for mothers who would choose to work outside unless in some very hypothetical cases a mother, because of her profession, would have a very high income and her husband would be a low income earner. Her decision to work or not to work would mean that family would no longer be in the \$18,000, \$20,000 or \$22,000 a year group.

Also, I would like to say that we have in our income tax system other provisions allowing deductions for day care expenses. There are already many fiscal privileges so that a mother can decide to go or not to go on the labour market. Certainly, the tax credit will vary according to the parents' income and the number of children and will be reduced gradually by 5 per cent for each additional dollar and that is very marginal. Honestly, I believe there is nothing in that new tax credit likely to prevent a woman from working outside. Low income earners or mothers who would want to leave welfare and go on the labour market will be able to do so because the family income will probably be below the maximum where the tax credit is cut off. I can reassure the House on that point.

The third point is extremely important. I think it is fundamental and that everyone will agree on this. That is the issue raised by our former colleague, Gordon Fairweather, now chief commissioner of the Human Rights Commission. I believe that point is fundamental and it is the first time it is under study in this House when dealing with a legislation, and it is well known in some women circles.

● (2032)

[*English*]

It is the first time we have seriously considered the eventual problem of discrimination based on the use of marital status as a criterion. It is important to study it seriously. The hon. member for Kingston and the Islands cannot disagree with that.

[*Translation*]

The whole Canadian welfare plan, whether it is from federal or provincial origin, is based on the parental income of the family unit, for instance the welfare benefits paid under the Canadian public assistance program, the guaranteed income supplement, the GIS, which is paid to old age people, and other programs we have, for example in the field of housing for the underprivileged. The whole social policy in Canada and the

[Miss Bégin.]

programs derived from it are based on the concept of parental income of the family unit; the same is true in the U.S. Moreover, the Canadian tax system is based on the individual except when a spouse takes charge of the other and, because of marriage, benefits from fiscal exemptions. That already exists. I have never heard the opposition object to this point. The bill before us does not make any change to this.

In Bill C-10 we are not concerned with marital status. We are concerned only with motherhood or legal custody of children, since it determines who will be the beneficiary, that is the mother in most cases since the refundable tax credit follows the family allowances pattern. Now, to determine the needs of the children we aim to help with this bill, it is essential that we know the parental income of the family, whatever the source of the income may be. One parent or two, the father and or the mother; the marital status is not important in this matter. I must establish clearly that in my opinion the concern expressed by the commissioner of the Human Rights Commission is absolutely without foundation in this case. It is true that the personal income tax return first asks for identification data which include the taxpayer marital status. The same data will probably be asked in the new and very simple form that is being developed for mothers, and it proceeds from the need to know the total income of the parents of the child whose needs we are trying to evaluate. I think I have covered all the aspects of this question. The fourth point was the impact on Quebec and Ontario. I am not sure if—

[*English*]

On the fourth point, I am not sure if I understood the hon. member. He may wish to repeat his point. It had to do with the impact on Quebec or Ontario and the other provinces. He may have meant the financial impact.

I would simply say that the poorer a province is relative to the rest of Canada, the more it will benefit. Quebec will be a beneficiary. The Parliamentary Secretary to the Minister of Finance gave the figure concerning new investments in terms of transfer payments to individuals by way of a new tax credit. This will be approximately \$60 million for 1979. In Ontario, if my memory serves me well, the payment will be made to 714,000 families. However, because of the reduction in the monthly family allowance, the net result will be a very small gain. It will be a gain of approximately \$26 million. This is speaking in terms of the impact on the provinces not from an economic viewpoint, but from a federal relations viewpoint.

The fifth point raised by the hon. member was consultation with the provinces. This is indeed very important if we want the money to represent an increase in the hands of the families. I have written to all my provincial colleagues. None have yet made a firm commitment. I have invited them to pass on this total amount, in other words, without using any indirect way of getting all or part of the money back into the provincial treasury, via increases in rents for housing or day care centre, or through welfare payments, such as the mothers' allowance in Ontario or any other such payment. I am very