

Income Tax Act

In his first Christmas message to the Canadian people, in December 1984, the Prime Minister said the following, and I quote:

To me, the family is, and shall always remain, the primary source of unity in our society. It forms the basis for all the elements that bring us together, including national unity.

However, as is the case for so many of the benefits we enjoy, we may be too inclined to take our family ties for granted and not be as aware as we should of the pressures to which they can be exposed. These pressures are a threat to the continued existence of the family unit as the foundation of our society.

In recent years, governments have taken a number of measures, both legislative and otherwise, to try and attenuate the consequences of family break-up.

However, the question arises whether we have directed as much energy and concern toward ensuring that the family unit remains the cornerstone of our society.

And last week, during the National Family Week, the Prime Minister said:

The family is such an intimate part of our existence that sometimes we hardly realize how enormously it influences our lives.

It is the crucible in which our most basic values are formed, a source of confidence and support that gives meaning to our existence.

Mr. Speaker, at a time when demographers, social workers and parents are thinking about problems such as the falling birthrate, the structure of our tax system, poverty, broken relationships and unemployment, it is imperative that the Government play a major role in helping to remedy the situation. However, that does not mean society as a whole can afford to shirk its responsibility.

I felt these comments were particularly apt, considering the Bill before the House today, a measure designed to provide some financial remedy to our neediest families. They are the ones that need help first of all, and that is indeed the purpose of this legislation. Too often, as past experience has shown, parents who were short of money or wanted to be able to make some major purchase would rush to the tax discounter, to get their cheques in advance. Now, 725,000 families in Canada will receive their advance payments around the end of November or the beginning of December, without having to pay the exorbitant interest they were charged in the past.

Mr. Speaker, in concluding I would like to say again how delighted I am that the 725,000 Canadian families who are to benefit under this legislation will include some 1,400 families in my riding who will be able to take advantage of Bill C-11, a positive step towards re-structuring our social policies.

Mr. John Parry (Kenora—Rainy River): First of all, Mr. Speaker, I want to congratulate the Government for its decision to allow families who have lost a child to receive the child tax credit for the year during which the child died.

I should like to ask the Parliamentary Secretary whether her Department has forecasts about the amount of tax credit discounting reduction which will occur thanks to the prepayment amendment.

Mrs. Bertrand: I have not checked yet, Mr. Speaker, but I could do so within the next few minutes and reply to my hon. friend in a little while. But something is sure, and it is that tax discounters were asking a 15 per cent interest on the amount borrowed, which was enormous for low-income families.

● (1630)

[English]

Mr. Norman Warner (Stormont—Dundas): Mr. Speaker, it is a privilege to rise and comment on Bill C-11. It is an exceptional Bill and certainly indicates the direction in which the Government is going in tax reform, which is something all our constituents, indeed all Canadians are looking forward to.

As outlined in the Speech from the Throne, fairness will be one of the guiding principles in all reform we make in taxation. This has to be considered as very fair. From the comments made by Opposition Members today and yesterday I am sure they also believe it is very fair and that it is a measure which all Canadians will welcome. Low-income earners in Canada deserve assistance and this is one way the Government can provide that assistance and at the same time correct inequity in our tax system. Consistent with the reform of the tax system involving lower personal tax rates, this is another measure which will be effective. Changes in the tax system of the United States have made it mandatory for us to rely less on personal income tax and look toward other areas of corporate income tax and sales tax to bring in revenues.

● (1640)

The child tax credit is very timely. The payment will come before Christmas at a time when families will require the money most.

Some 1.3 million children will be affected by this new Bill. The \$300 per child will be very useful for people with lower incomes and will assist them at a time when requirements for money for clothing will be the greatest.

I have already received some calls from my constituents indicating that they are very supportive of what we are doing. Of course, they look forward to receiving that cheque in November. I am sure as all Canadians become aware of this legislation, they too will be anticipating that cheque in the mail which will assist them in the shopping they normally do at that time of the year.

The elimination of the need for tax discounting services is also very positive. Many people were losing a substantial portion of their tax refund and, of course, the requirement for the services of a tax discounter will now be not nearly so great as it was in the past.

This Bill is just the beginning. There will be more tax reform legislation which the House will be reviewing in the upcoming months. The Finance Committee will have a very