

*Family Allowances Act, 1973*

that we must restrain spending. Where were we supposed to restrain that spending? It was in social programs. Hon. Members should read the financial papers and the speeches of Hon. Members opposite a year ago when they were talking about wages, spending and restraint. Where did they look for restraint? It was to social programs. They said that we cannot afford old age pensions, Family Allowances or to continue the Canada Pension Plan. They said that they would love to continue supporting these social measures, that they had the greatest respect for the dignity of people, that they wanted to help the unemployed and the less fortunate. The Tories said that they supported private enterprise and that if we could only return to that *laissez faire* attitude, somehow increased prosperity brought on by supply and demand would eventually trickle down to the less fortunate. That is not true. It has never been true. It has proven to be an abject failure under Margaret Thatcher.

What do we have in front of us here? We are talking about Family Allowances. As we approach the last of these Bills, I want to pay tribute to the Minister of National Health and Welfare (Miss Bégin). I say this because Governments at best can only govern through consensus. In every Cabinet and every caucus there are different points of view, all valid and all important. What comes out in the form of legislative policy has to be a consensus. That is true in caucus. I might mention, in case I forget it, that some months ago at our convention we had time, not to cut each other up but to talk about policies. We debated fully the universality concept of Family Allowances because trial balloons were floating around this city and this country from all parties as to what we could do, how we could get our little hands on the Family Allowances, how we could restrict universality, and what we could do to get our hands on this big pocket of money. The Liberal Party, the backbenchers and the militants, made it very clear to Cabinet that universality must be retained and maintained as the nucleus of our Family Allowance program. It is to the everlasting credit of the Minister of National Health and Welfare, as we come out of this debate, that both old age pensions and Family Allowances retain and maintain their dedication to the principle of universality. There is nothing in this Bill which in any way impedes or restrains the concept of universality.

As a matter of fact, I am partly surprised by the success of the Minister in persuading her colleagues, not only that universality can be maintained, but that a formula could be devised to minimize or eliminate entirely the impact of six and five on people we can clearly identify as the poor and the underprivileged who need every last nickel of Family Allowance. How did the Minister do that? How is the Government doing that? When we get to Bill C-139, we will legalize or bring into legislation changes in the Child Tax Credit for 1983. Hon. Members may be surprised to know that it is hard to keep up with statistics. No less than two out of three recipients in this country receive Child Tax Credit benefits. When you take those changes, which are still not legislation, and add them to the minimal impact of the six and five, you

will find that two out of three beneficiaries in this country will receive at least a \$33 net gain in the 1983 taxation year.

• (1600)

How can you say in any way that we are discriminating against recipients of Family Allowances? If we were, we would not bring in a Child Tax Credit for 1983, the impact of which will be to direct to those two out of three recipients of Family Allowances some extra financial assistance. The one out of three who does not receive the Tax Credit allowance obviously does not need it by reason of the very table that goes with the Bill on which we will have a chance to expand when we debate Bill C-139 because the tax credit is linked clearly to income, as is the GIS to old age pensions.

It is almost pathetic to hear Members of the Opposition take advantage of this legislation in their attempts to garnish support in this country by playing on the fears of the average Canadian. If you listened only to Members of the Opposition, you would believe that every single pensioner in this country would be worse off, dramatically worse off, because of the six and five program. If you listened only to the speeches made here today, you would believe there would be no need for six and five at all if somehow we could say to some young lady, "You have no right to go to France to learn French. It is not important to learn French." The inference is there. It is not important that we get into the twenty-first century with the metric system. It does not mean much to our export countries. If they want our products shipped in metres, millimetres, grams and all the rest, and we do not intend to do it, they say, let them turn somewhere else because we do not care. Every single argument that you hear from the Tories on this issue represents classical Tory thinking of the nineteenth century. It shows how far they have advanced. They have advanced nowhere at all.

What have we been able to do in 18 months, Mr. Speaker? We have been able to put in place a program that has protected the limited income of those who suffer most in times of inflation. I am speaking of people on fixed incomes, people on pensions, people who tend to be under-employed—

**Mr. Taylor:** How about the one million unemployed people in this country?

**Mr. Mackasey:** —people who need these kinds of Family Allowances. We have to protect the integrity of those programs.

One can argue, and can I accept the views of anyone who wants to talk about the economy, as to whether our method of attack on inflation is right or wrong. I do not think there is an economist in Canada or the United States with any credibility who would suggest the alternative to inflation is to index everything. There are countries led by governments which believe that, for instance, countries in South America and the Middle East. Their answer to inflation is simply to index everything. If inflation goes up by 90 per cent, you index everything 90 per cent. But do not take your money out of the country because I do not know where you could spend it. Do