

Family Allowances Act

It is not true that the Conservative Budget will protect the most disadvantaged families in our country. It will simply cut spending on families for the benefit of other groups: investors and private corporations, the people that receive capital gains.

The Minister of Finance (Mr. Wilson) says that Canada no longer has the money to subsidize family allowances at the same level. Is he right, or is he just using this as an excuse? What are the facts?

The Minister of Finance is wrong. When the family allowance program was started, family allowances cost the Government a lot more. In fact, they represented 7.7 per cent of the federal Budget in 1947 when the program was introduced. In 1965, family allowances represented 6.1 per cent of federal spending. This percentage has continued to decrease. There was a reversal in 1974 under a Liberal minority Government, when the New Democrats forced the Government to increase family allowances.

Since that time, family allowances have suffered cuts as a result of decisions by the Liberals and federal Conservative budgets.

I find it somewhat hypocritical that today, the Liberals are supporting us in our fight against de-indexation. Remember, it was the Liberals who cut family allowances before, and who did so several times.

● (1540)

[English]

Can we afford the family allowance program? Certainly that question is a reasonable one and it is being extensively debated. Let us look at the facts. Family allowance distributes \$2.4 billion to 3.6 million families in Canada with 6.6 million children altogether. Obviously a very large number of people benefit from this program. Nearly 20 per cent of this amount is recovered in federal taxes, so the net outlay of funds for family allowance is just under \$2 billion. This amounts to only 2.4 per cent of federal expenditures and it is only .57 per cent of the Gross National Product. When people indicate that we cannot afford the family allowance program, these are figures about which they are talking. In terms of federal expenditures, it is not a lot of money. In terms of the importance of raising the next generation in healthy and safe conditions and in terms of giving them adequate stimulation, leisure, recreation, sports and all other things which children need, it is simply not enough. It is not a great deal of money when we think of the enormous number of expenditures to which the Government has given higher priority. We would like to see fully indexed family allowances. Indeed, we would increase other child support measures.

Specifically, we would increase the child tax credit by 80 per cent. It would be a mechanism to ensure that more tax revenues went to families in greatest need. We would ensure the existence of a universal program for all families and an important increase in the amount of money for families in greatest need. These types of figures are perfectly reasonable.

They were afforded in previous times. There is no reason that they could not be afforded now. For example, if we returned to the tax rates of the pre-1982 period when wealthier individuals were taxed at a higher rate, and if we imposed a minimum tax on wealthy individuals, such as a 20 per cent tax for people with incomes of \$50,000 and above, we would raise about \$3 billion more. In short, there are other ways to ensure that money is available for families. It is a question of lack of political will, not an economic barrier, which keeps us from giving families what they need.

Why does the Government say that it cannot afford that now, when the Government could afford it 20, 30 or 40 years ago when the family allowance was instituted? In those intervening decades, Governments have come up with higher priorities to them, such as corporate giveaways. There has been an increase in corporate giveaways throughout this period and a decrease in taxation for wealthier individuals. The Auditor General estimates that \$30 billion to \$50 billion per year go into corporate giveaways. It is for those reasons that there is not enough money to pay a \$2 billion program for families. Let us look at the proportions: \$30 billion to \$50 billion for corporations and \$2 billion for family allowance. It is shameful to say that we cannot afford it, and it is patently untrue. It is a question of political will, children should be placed much higher on our political agenda.

Family allowance is a question for women because women do most of the child raising. It is the woman who actually receives the family allowance cheque, unless the father of the child or some other person is physically looking after him or her. It is a recognition of the enormously important work of Canadian women in the area of child care. It is shameful to think that the Government would want to reduce this very important recognition. In fact, in my opinion the recognition is not great enough. It is something for which Canadian women had to fight. They won the right to have their family allowance cheques payable in their names. It was a very interesting fight in the Province of Quebec, led by Thérèse Casgrain. They wanted the cheques to be payable to women because they were the ones who were looking after the children, buying the necessities and managing the family budget. It was felt that they were the ones who should have that money.

The last federal Government underestimated Canadian women in a battle over the Constitution. This Government has underestimated Canadian women as well, and the fact that there will be a terrific fight on this issue. I invite Canadian women and all people who care about children to join in this fight. They should say to the Government that families and children are important and that we can afford it. We have the resources. We simply have to use them in support of our children. I ask people to sign petitions, to write letters, to talk with their Members of Parliament and to lobby. I ask organizations such as church groups, parent groups and day care centres, to be active. All people who are concerned about children should speak up now. It is only the beginning of a fight, a very important fight. It may seem like pennies and dollars now, but it is a long-term erosion of the family