

Family Allowances

time. Its most recent figures are for 1975 and 1976. They indicate that 11.8 per cent of families and 38.1 per cent of unattached individuals are living below the poverty line. If those figures are combined, approximately 19 per cent of all Canadians were living below the poverty line at that time. I emphasize that the figures used by the Economic Council of Canada and Statistics Canada are conservative ones. They are much lower than the ones used by Senator Croll in his study as a member of the Senate committee.

I should like to refer to the most recent figures for September, 1978. The definition of poverty by Statistics Canada is a conservative one. Perhaps a lot of people classified by Statistics Canada as not living in poverty are living under straitened circumstances. According to the latest income distribution figures, there were 712,000 families and 779,000 individuals living below the poverty line in 1977. This is an increase of approximately 66,000 families and 98,000 individuals who fell below the poverty line in 1977. The minister should tell Canadians and hon. members that in fact there is a great deal to do before we can boast about moving toward a more equitable society. We must move toward eliminating a substantial proportion of the existent poverty.

On second reading the minister argued, because of the very substantial increase in the Canadian gross national product over the last few years, that there has been an increase of 25 per cent in the standard of living of people above the poverty line. If one wants to compare the manner in which poor Canadians live to the lifestyles of poor people in South America or Africa, one would have to say that poor Canadians are living in luxury. The governments of all countries should compare their peoples with the lowest incomes to those with higher incomes.

The minister indicated that Canada had not changed very much in the last 25 or 30 years, that people at the lowest tip of the income distribution scale are receiving between 4 per cent and 6 per cent of the gross national product, and that people in the top one-fifth are receiving something over 40 per cent. That is just the point. We are all living today better than we were five or ten years ago.

● (1602)

The question which has to be faced, and I would have hoped that this minister was just the person on that side, if anybody, to address this problem, is that we have made no real changes in the distribution of wealth in this country and that the people in the bottom fifth of our society are still getting a disproportionately low percentage of the gross national product. There are still far too many people, and they are not in the 12 per cent which the minister spoke about, living in poverty in what should be an affluent country that can look after the needs of all of the people, and which we are not doing.

Miss Bégin: Mr. Chairman, my stand and opinion on poverty in Canada have been consistent. Perhaps the hon. member is using my speech as a vehicle for speaking to other members in this House, possibly those to his right. He cannot be talking to me because he knows very well that I have always said that

[Mr. Orlikow.]

there is still too much poverty in this country of affluence. Many times I have mentioned the 600,000 families with close to two million children who live below the poverty line. I find this unacceptable, and I want to help to erase that situation.

Mr. Stevens: Your government has contributed to that.

Miss Bégin: The hon. member for York-Simcoe, the social specialist for the Conservative party, says that we have done nothing about poverty. That is not true. Many things have been done to erase poverty, and it is important to remember what this government has done. Poverty had decreased to a certain degree in this country. The measure of redistribution, however, has not changed, and this bill will help that by putting \$300 million more into that group of poor families living below the poverty line. It will be quite a step, certainly not revolutionary, but it is of great importance.

Mr. Stevens: Mr. Chairman, I would like to pursue with the Minister of Finance a line of questioning that I originated during this committee stage with his parliamentary secretary. It has to do with identifying the on-going expenditures with respect to the family allowance program and then relating it to the on-going loss of revenue which may ensue as a result of the tax credit proposal. When I raised this question I specifically requested more detailed information that led to the government telling us that the total savings and costs of these various programs are X hundreds of millions. I was looking for a more detailed breakdown showing the number of family allowance cheques that were involved and the number of tax credits that the government anticipates will be going out.

I suggest that perhaps the parliamentary secretary misunderstood what I was getting at. He tabled a list of certain expenditure reductions and revenue additions or reductions for the year 1978-79 and 1979-80, but perhaps the parliamentary secretary was not aware that the list he tabled had already been put into *Hansard*. I was well acquainted with that list and, in fact, it was what prompted me to ask for further details.

The refundable tax credit, according to the minister, will result in a loss of revenue of \$810 million in the fiscal year 1979-80. Can the minister give us more detail as to how he arrived at that figure, which is the first entry on the table I referred.

[Translation]

Mr. Chrétien: Mr. Chairman, we take the number of children receiving family allowances who are, according to the information we have, in families where parents do not pay income tax or pay just a little amount and compare it with the number of family allowance cheques we issue during the year with all the information we could get from the Department of National Health and Welfare and from the Department of National Revenue, based on income tax return forms filled by Canadians, we came to the conclusion that the total amount for fiscal year 1979-80, which is the first year in which these tax credits for children will be paid, will be \$810 million.