

I asked my colleagues from the Atlantic provinces on the government side to really take a look at the situation in their provinces and to look at the projections of this government. This government intends to cut again into the transfer payments to the provinces. I asked my two colleagues who were, until just recently, members of the Government of New Brunswick, where that government, regardless of its political stripe, will get the funds to continue with the social programs that exist in New Brunswick today. Where will it get the funds to try and operate the hospitals, because today in New Brunswick, hospital beds are closed because the government does not have the money to finance the hospitals and hire the staff that is required to operate those hospitals? Where will the Government of New Brunswick get the money to continue with the higher education programs, the post-secondary education programs and the training programs, because the federal government has already made clear its intention to cut back on the transfer payments? Again, it is the same philosophy that is being applied.

I presume that Ontario will get along fine. British Columbia may be all right and Alberta, we do not know. However, central Canada will get along fine. Jobs have been created there in the last two or three years, but not in the Atlantic provinces. I plead with the government of the day and with the members of this house who are members of the government to impress upon their colleagues not to detract from the situation as we know it today.

There are poor people in this country today and, honourable senators, poverty is a relative thing. The higher the standard of living, the more relative poverty becomes. In other words, you do not really need to be hungry in order to be poor. When your children go to school with no money to buy their lunch in the cafeteria or when they are not dressed like the others, they are poor and they cannot compete. This is why, in this country, we have had all these social programs and this is why I am concerned.

Honourable senators, I believe that this is wrong legislation; that it is bad legislation. It is a conscious decision by the government of the day to be concerned with budgets. I believe that governments must be concerned with budgets, but I think it was the Minister of Justice who said two or three weeks ago: "What is the sense of making all these cuts? We will not be there after the next election." Honourable senators, that is the truth and I tell you that if this government keeps on this track of withdrawing services from those who need them, and withdrawing transfer payments from those areas of the country that need those payments, and of withdrawing from the policies of attempting to create jobs in areas where jobs are needed, then they will be defeated at the next election, and they will have deserved it.

● (1530)

[Translation]

Hon. Arthur Tremblay: Honourable senators—

[Senator Th]

The Hon. the Speaker *pro tempore*: Honourable senators, if Senator Tremblay speaks now, his remarks will have the effect of closing the debate on second reading of this bill.

Senator Tremblay: Honourable senators, I did not intend to speak at length at this stage. I think I echo the views of all senators when I say that the sooner we adopt this bill on second reading, the sooner it will be referred to committee so as to accommodate those who have already made the request to appear, and the sooner those groups are heard, the better it will be.

However I cannot let go unnoticed some of the comments made by Senator Thériault. He told us he does not understand how people who have a modicum of social conscience would advocate provisions such as those contained in Bill C-70.

For my part, I find it hard to understand why Senator Thériault and several others who took part in this debate did not put Bill C-70 in the overall context of the government's legislative program. We said so from the outset and I say it again today: it is quite obvious that, by itself, exclusively and within a narrow scope, by proposing moderate rather than pure and simple indexation, Bill C-70 will indeed slow down the growth rate of family allowances.

The purpose of this bill becomes clear when taken in its wider context. Child benefits as a whole have to be considered if we want to have a fair idea of the results.

As a matter of fact, two days ago we adopted Bill C-84 which contains provisions concerning the child tax credit and exemptions. If we look at it from that angle, the conclusions are the same.

As evidence of this, there is what Senator Marsden said the other day. She said that she agreed completely that the tax credit should be improved.

The other day, Senator Godfrey mentioned that the child tax exemption could very well be phased out.

What do these two comments show? They underline the principle that the target group we should try to help is that of the disadvantaged, of the people with the lowest income. Future child benefit policy should therefore be directed at enriching the tax credit.

As I pointed out in my original intervention, this principle was implemented in 1979 by the previous government. I am personally convinced that this was a turning point which showed how we should proceed.

This government is following the same direction by enriching the tax credit. I do not understand why Bill C-70 should be criticized instead of being placed in the proper context, namely that the government is implementing a complete system. It is still not perfect, even with the improvements brought about by the two bills we have discussed. A lot remains to be done and it is with this in mind that we should be working.

In his speech, Senator Thériault associated the concept of universality with the comments on which I have just enlarged. Where does universality reside? It is only a myth. As concerns family allowances, pure and simple universality existed in the