

*Oral Questions***CHILD CARE**

EFFECT OF BUDGET ON NATIONAL CHILD CARE ACT

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the Right Hon. Prime Minister. His Government has clawed Canadian families. A new word has entered the lexicon: claw-back. They are clawing back the family allowance, clawing back the old age pension, and now they have clawed Canadian children by cancelling the National Child Care Act. Why did the Prime Minister promise that social programs were sacrosanct during the election campaign and then claw 200,000 Canadian children by cancelling the National Child Care Act?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me quote again from the National Council on Welfare. The advantage of using her word, the claw-back, is that it saves money, not by tampering with the contentious principle of universality but rather by increasing the progressivity of social programs. Most defenders of universality believe that the benefits should be distributed in a progressive fashion.

Let me remind the Hon. Member that this measure is directed to senior citizens, those over 65. Four per cent of those who receive the old age security cheque will be affected and less than 2 per cent will have to pay it back. Of 14 per cent of those who receive the family allowance cheque, less than 10 per cent will see that the full amount is repaid.

IMPLICATIONS OF FREE TRADE AGREEMENT

Ms. Mary Clancy (Halifax): My supplementary question is still for the Prime Minister, since the Minister of Finance did not understand the question. I am sure that the children of Canada will be reassured by the gobbledegook we heard. I ask the Right Hon. Prime Minister, is this obliteration of the National Child Care Act another attempt to give us the so-called level playing field with the United States, and make Canadian children the first victims of the Free Trade Agreement?

Some Hon. Members: Hear, hear!

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, with regard to the matter raised by the Hon. Member, I would remind her—

Some Hon. Members: Oh, oh!

Mr. Speaker: The Hon. Minister.

Mr. Beatty: Mr. Speaker, we hear this sort of noise from the Opposition. It was the finance critic—

Some Hon. Members: Oh, oh!

Mr. Speaker: There is a lot less noise now than there was. The Hon. Minister will answer the question.

Mr. Beatty: Indeed, Mr. Speaker, it is the finance critic for the Official Opposition who said this: "Programs such as family allowances and old age security should be available to those in need". He said: "Perhaps the most effective way of ensuring that Canadians in need receive adequate amounts of support is for those who do not require such support, tax it back", said Roy MacLaren, as reported in *The Ottawa Citizen* of March 21, 1989.

Some Hon. Members: Hear, hear!

Mr. Beatty: With regard to child care, let me inform the Hon. Member what is in place. First of all, the child tax credit for which the vast benefit goes to the people most in need is in place. The child care tax deduction, the \$100 million child care initiatives fund is in place. The Canada Assistance Plan remains in place. We expect an increase of some 20 per cent this year, in terms of subsidies for child care under CAP, and yet we see that the Party that opposed our child care Bill suddenly says we should be scrapping that and bringing back the child care Bill. It is simply not credible.

Some Hon. Members: Hear, hear!

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UNEMPLOYMENT INSURANCE

THE BUDGET—CUT-BACKS IN FUNDING

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Prime Minister. How can we ever trust the word of this Government? During the election campaign, the Government said that unemployment insurance would not be touched, that it would not be cut. Last week we quoted the exact words of the Minister of International Trade on that subject, yet in the last two weeks the Government has slashed unemployment insurance twice.

On April 11, it took out \$800 million. Yesterday, the Government abandoned \$1.9 billion of its commitment to that fund. How can the Government justify this savage attack on the unemployed? How can it pass the buck on this to the workers of this country? Explain that to Canadians?