

become healthy communities and healthy communities build a stronger country.

I heartily endorse Motion No. 339 and I encourage my fellow members to do likewise. Let us take this opportunity to call upon government to pursue progressive policies for the betterment of all Canadian families.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I rise today to speak in favour of this motion sponsored by the member for Mississauga South. As chair of our party's family task force, I will outline my view on this motion and comment further on the broader issue of child care.

The subject being addressed today is families, the connection which exists through blood, marriage and adoption. It is universal and historically of great significance. It is humanity's most enduring and important institution. It demands the proper attention by legislators in all government policy directions that affect it.

Today we have the opportunity to look briefly at a proposal for changes in our child care policies. I look forward to supporting my hon. colleague in my comments. He has created an idea that seeks to strengthen families. It does so through the effective targeting of government assistance to needy families and the empowerment given to families in choosing for themselves the best caregivers for their children. This should and does include the option of overt government recognition and support for families that choose to care for their own children.

I could be excited about these new directions except as I stand here in the reality of a non-votable one hour debate. How typical of this government's attitude to the importance of family. How typical of this government's philosophy of intervention into even the smallest detail of Canadians' lives. It promotes and defends national day care policies while ignoring the real wishes and potential of Canadian families.

In contrast, the ideas of this brief discussion put forward in Motion No. 339 reflect, I believe, the wishes of the vast majority of Canadians. The motion states that, in the opinion of this House, the government should amend the Income Tax Act to extend, subject to a means test, the child care expense deduction to all families.

The child care expense deduction allows parents to deduct expenses incurred for child care from their taxable income, up to the maximum amounts which vary according to the age of the children involved. For children under the age of seven and for older children with severe disabilities, a maximum of \$5,000 may be deducted for each child. For children between the ages of seven and fourteen and for those with modest disabilities, a maximum of \$3,000 may be deducted for each child. As a result

Private Members' Business

of the 1992 budget these maximum allowable deductions were increased from \$4,000 to \$5,000 and \$2,000 to \$3,000 respectively.

To qualify for this deduction the child care expenses must be incurred by the parents for work which enables them to be employed, operate a business, receive job training, or engage in research activities. If there are two supporting parents, the child care deduction must be claimed by the parent who has the lowest income irrespective of which parent incurred the child care expense.

• (1810)

To support its claim, these expenses must now be receipted in order to verify the expenses incurred and the service transaction between the parent or parents and the caregiver. Finally, the total deduction cannot exceed more than two-thirds of the total earnings.

In 1992 the child care expense deduction cost the federal government some \$310 million claimed by 710 individual taxpayers. In effect it is and has been a government subsidy for child care. This motion advocates the targeting of this deduction through a means test.

In the present system, the deduction benefits high income earners proportionately greater than the lower income families. This finding about child care expense deduction was confirmed lately by a human resources committee study of social security programs. For instance, it has been shown that 52,000 taxpayers earning more than \$50,000 claimed the deduction in 1991.

In addition, in Port Moody—Coquitlam, the clear choice and preference of parents in my community is to opt for informal arrangements. Those who choose informal child care by relatives, family members or even neighbours suffer against the government assistance given to the typically high income earners using licensed day care.

Reform does not believe that we should increase any expenditure on child care initiatives because of the dire fiscal situation the federal government now faces. To make any promises to do so would be politically irresponsible. To increase expenditures at this time would be fiscally irresponsible.

Our total debt will increase over \$100 billion in this parliamentary term. Interest charges now at \$42 billion are increasing faster than the savings put forward for instance in the recent Liberal budget, which of course we find completely unacceptable.

Before we spend any more money on child care we should look at measures that would economize our resources allocated to child care. This motion is one such measure because it advocates the targeting of this benefit to those most in need