

Family Allowances

We have learned, and I suppose when one stops learning he may as well stop living, that in dealing with government, propped or prodded by the NDP—they used to prod them, but now they prop them—we must be thankful for small mercies. We learned officially today what we knew empirically all along, that unemployment is rising and has risen even through the heat of the summer, even with the fanfare and the ballyhoo of LIP programs and the like.

Inflation is tough enough on any citizen, any head of family. How much worse, how much more terrifying and how much more soul destroying is rampant inflation to the head of a family who cannot find work? How does he cope? What does he do? How does he walk among his fellows with respect? How does he look upon his children as he tries to meet their needs and demands and cope with their aspirations?

In light of what is happening to our cost of living and our employment statistics, I hope the minister will not be overly immodest about this improvement. Heaven knows, many, many heads of families will need the increased cheques. I hope they will go out to them as soon as possible without any administrative delays which will cause this group of people to be frustrated in their expectations. These are difficult times. Despite the efforts that have been announced, this government has neither slain nor scotched the snake of inflation. However, for this measure of assistance we have to be thankful because it will for many people make a situation that is a little better.

We in this House would be naïve to think that we have in fact accomplished overly much. We would be naïve to believe that palliatives have cured. To believe this would be to believe that General Plumptre's army would be a rescuing force. I am sure that latest charade in the phony war against inflation will probably go down in history as the most ineffectual exercise in supererogation undertaken in this country. Whatever the people of Canada need to know, they do not need someone to tell them the cost of living is going up. Whatever else was needed, surely that was not the need.

Finally, true to my long standing tradition of not making long speeches, although they may not be as short to others as they are to me, we are going to support this measure. We note a lack of certainty in this bill. It is an interim bill, but it has no terminal date. We are told that something will start at an early date. I want to know if the cheques will get out on time. When will the new cheques be ready? I know the October date is not to be found in the bill. Is the minister sure that the consultations about which he has spoken will progress in such a way that the people can expect the \$20 average in January 1974? If this is the case, we are delighted but we cannot find such an assurance in the legislation itself. I hope that later in our proceedings the minister will be able to give us an assurance of this kind.

● (1520)

For our part we shall support this measure. Faint as it is, it does help, and we wish to help these people as much as possible.

Mr. Edward Broadbent (Oshawa-Whitby): Speaking on this measure, I really wish to deal with two questions. One is directly related to the substance of the bill before

[Mr. Macquarrie.]

us and to the benefits it provides. The second relates to a broader context, that is the way in which the legislation affects the redistribution of Canadian income.

It seems to me that the area of family allowances is one of the few areas in which the federal government really does involve itself in the direct redistribution of income. In a discussion of this subject it seem to me, therefore, that the bill before us should be discussed in a wider context, one which goes beyond the particular arrangements which have been made.

As the minister explained, family allowance payments in respect of all children in Canada are to be increased to \$12 effective October 1. This is splendid. It will mean an average increase in family income of \$10 per month, during the period October 1-December 31 of the present year, affecting some 3.5 million Canadian families. So an obvious advantage will accrue to Canadian families under the terms of the bill before us. A great many needy families will be directly assisted in coping with the results of inflation. This is especially important when we bear in mind that food prices have gone up by some 20 per cent in the past year alone. I should like to point out that conditions in which many families are living in Canada today are not such that we can be very proud of them. Some 4.5 million Canadians are living in poverty, and this figure includes 1,700,000 children according to a study prepared for the Senate Committee on Poverty. The fact that as of two years ago 1,700,000 children were living in a state of poverty is one we should keep much in mind when we hear statistics about the growth of real output in the economy, and so on, such as the Minister of Finance (Mr. Turner) has brought to our attention.

The hon. member for Hillsborough (Mr. Macquarrie) has just expressed the opinion that the government ought to bring the level of payments up to \$20 beginning October 1 instead of deferring such action until January 1. We in this party support such a proposition because we put it forward last spring when the minister placed his white paper on the subject of family allowances before the House. We said at that time that rather than wait until fall, or until January, the increase should come into effect on July 1. We gave assurances that had such a bill been brought before the House for second reading at that time we would have assisted in securing speedy passage for it so that it might have been implemented before the summer recess.

The minister has assured us that negotiations are going on with the provinces so as to work out the details of the complex formula which has been devised in order that the provinces might have an effective say in the distribution of the eight dollars additional to the \$12 minimum. It seems to be a highly desirable formula, one which meets the requirements of a complex federal state such as ours. We accept the minister's assurance that this work will be done in time for the bill to be passed by January 1 and, speaking for my party, I can assure him that we shall do everything we can to support these efforts.

The proposal before us will provide Canadian families with an immediate increase in disposable income. The second advantage of the scheme is its universal aspect. It is only a year or so ago, I would remind the House, that the present Minister of Labour (Mr. Munro) when he was