This is what he said in the house on July 25, 1944, when he moved the second reading of that bill.

The announcement in the speech from the throne was as follows:

The family and the home are the foundations of the national life. To aid in ensuring a minimum of well-being to the children of the nation and to help gain for them equality of opportunity in the battle of life, you will be asked to approve a measure making provisions for family allowances.

I wish to point out, Mr. Speaker, that Mr. Mackenzie King was then speaking of a minimum of well-being and an equality of opportunity.

Further on, he explained the purposes of that bill, according to his philosophy, and I quote:

It has always been a part of the policy of the party to which I belong to do as much as possible to further equality of opportunity.

Mr. Mackenzie King gives statistics to show that large working class families did not have equal opportunities in society and that the legislation on family allowances by adding to their revenues would allow them to fight for life with as much, if not more chance than before.

Further on, Mr. Mackenzie King explained the measure was also promoting the interests of the entire community rather than those of a particular class. I quote:

—no nation liveth to itself, that we are members one of another, and that, if any part of the community suffers because of subnormal conditions, sooner or later other parts of the same community will suffer likewise. You cannot have one section of the nation undernourished, ill-clothed and unequal to its daily tasks, and not have the rest of the nation sooner or later suffer as a consequence.

The plea of Mr. Mackenzie King pointed to the necessity of helping families, particularly through allowances.

The former prime minister stressed also the advantages of family allowances for the nutrition of Canadians.

Finally, he emphasized the fact that family allowances did not replace wages but supplemented them to allow families to live better.

Of the concept of family allowances and the philosophy behind them, one must remember that they were designed to increase the standard of living of children and their families.

Wages and other forms of revenue that do not as a rule vary with family obligations proved to be insufficient to meet basic needs of large families in which children are raised in conditions of poverty, and thus are

Use of Bank of Canada to Ease Tax Burden frustrated in their physical and mental development.

It is therefore possible to perceive the presence of purely economic purpose behind most of the national family allowances plans: the concern to lift to an acceptable level the family's buying power, particularly that of low income families.

According to a 1947 issue of the International Labour Review, the law adopted in Canada implicitly recognizes this objective. Here is what we could read in four points, Mr. Speaker:

- 1. Public grants should be established, whether in kind or in money or in both, to allow children to be brought up in healthy conditions, to help take care of the children of large families and to complement the measures taken for the good of children under the family allowances plan.
- 2. When the objective is to help bringing up children in healthy conditions, the grants should take the form of benefits, such as free food or at less than cost price for children in infancy, school cafeterias and housing at below normal rent for families with several children.
- 3. When the objective is to help take care of large families or to complement measures for the good of children, whether carrying benefits in kind or established under the social security system, the grants should take the form of family allowances.

## And finally-

4. These allowances should be paid, whatever the parents' income, according to a schedule that would represent a substantial contribution to the maintenance costs of the child and would take into account the expenses incidental to the maintenance of older children.

This is therefore an opinion put forward by the Canadian Welfare Council and it corresponds to that of the Economic Council of Canada.

Now what was the measure suggested by the Liberal government in 1944 in order to supplement the family income? Section 3 of the Family Allowances Act reads as follows and I quote:

Subject as provided in this Act and in the regulations, there may be paid out of unappropriated moneys in the Consolidated Revenue Fund, in respect of each child resident in Canada maintained by a parent, the following monthly allowance:

- (a) in the case of a child less than six years of age, six dollars per month;
- (b) in the case of a child six or more years of age but less than ten years of age, six dollars per month;
- (c) in the case of a child ten or more years of age but less than thirteen years of age, eight dollars per month; and