

soldier on long after people remember why they were legislated in the first place, or pursue ends that a sizable group of the population does not support.

Federal child benefit programs fit the above characterization all too well. Nonetheless, we will attempt to relate the impact of recent changes in each program to its objective(s), as well as to examine the effects of such changes on the child benefits system overall.

Family Allowances

Family allowances were legislated in 1944 and paid their first benefits in the spring of 1945. Family allowances were the first universal social program in Canada and the largest social expenditure at the time, costing more than all other social programs delivered by governments of the day.

The federal government was in part motivated by immediate political considerations, viewing family allowances as a potential vote-getter among parents and a way of staving off demands to lift its wartime wage controls. However, the program's stated aims were to recognize the contribution that all parents make to society, to supplement the incomes of families with children, and to help guard against a post-war recession by putting cash into the hands of Canadian mothers every month in the expectation they would spend it and thus stimulate the economy.

Family allowances' economic stimulus rationale is rarely mentioned these days. Their original anti-poverty purpose also tends to get lost in the tired old debate over whether all families — the affluent included — should benefit from them. But family allowances' proponents envisaged an important anti-poverty role for the program in supplementing the wages of the average family and meeting the minimal material needs of children. At the time, incomes were much lower than they are today: more than half of Canadian workers did not earn enough to meet their families' minimal nutritional requirements. Family allowances were to help fill the gap between wages and income needs for the average family.

Perhaps the most contentious rationale for family allowances is the one most often cited in defence of their universal nature — recognizing the contribution that all parents, regardless of income, make to society in raising children. One could support this purpose and still decide that society's recognition of well-off families does not have to take the form of a cash transfer, which might be better spent on poor families. At the risk of sounding facetious, family allowances' designers could have decided to restrict the program to low and middle-income families and mail affluent parents a Parental Recognition Certificate on the birth of each child.

Indeed, many Canadians do not support universal child benefits and believe instead that the money that would be saved by cutting off the affluent should go to deficit reduction or improving child benefits to lower-income families. It is evident from this debate that two of family allowances' objectives — supplementing the incomes of lower-income families and recognizing the contribution of all parents regardless of income — co-exist uneasily.

Defenders of universal family allowances marshal other arguments in their favour, which were summarized as follows in the National Council of Welfare's 1983 report *Family Allowances For All?* :