Family Allowances

I said a while ago that the gross national product was \$12 billion in 1944 and \$114 billion in 1973, which represents an increase of 950 per cent. In the meantime, consumption which amounted to \$10.8 billion in 1944 increased to \$66 billion in 1973, which means an increase of 612 per cent. Capitalization, which stood at \$1.2 billion in 1944, went up to \$48 billion in 1973, an increase of 4,000 per cent.

As one can see, Mr. Chairman, within 30 years, we produce much more but we consume less and less in order to capitalize much more, mainly for the benefit of private, public, national, international or multinational corporations.

Now, if less is consumed, we must see who suffers from this lower consumption and remedy the situation by taking money from such areas as are over-capitalized without however keeping investments from contributing to the progress of the nation.

To think that the Minister of National Health and Welfare claims that he knows no magic wand nor philosopher's stone! He is smarter with words than with figures, statistics, ratios, percentages, which allows him to say he does not know where to get the money, that is, in the hidden hoards of companies.

During 30 years, Mr. Chairman, family allowances were administered with 1944 money, the so-called constant dollar. Now this means that today a mother who wishes to buy a quart of milk at 35 cents must pay with 1944 money.

During that time, old age pensions were administered with current dollars, that is the dollar adjusted to the cost of living, increasing them to \$20 a month in 1944, \$40 in 1960, \$75, \$90 \$100, \$170 later on and to \$179 in 1973.

It is presumed that the same thing could have been done for family allowances, but it has been deemed necessary to do otherwise for unexplainable reasons.

Today, with 30 years of delay and on the basis of our experience, let us merely correct the situation, paying with 1973 dollars the family allowances which have remained at the level of 1944 constant dollars.

To be logical, consistent and realistic, I presume that we should pay at least between \$25 and \$30 per child and, as my hon. colleague from Joliette (Mr. La Salle) suggested a moment ago, at least \$90 a month in salary to every student and this, until the end of his education.

This is where the hon. minister could obtain the resources he claims he is lacking. Therefore, if we want to be consistent, we must not spend so much time in discussions. The magic wand and the philosopher's stone are readily available to ensure a fair and honest maintenance to the many large families which are truly living in distress and fear of the next day.

[English]

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, when we were in committee of the whole on Bill C-219 dealing with amendments to the Old Age Security Act, I spoke critically about the complicated drafting in that bill. I should like a moment or two in which to do the opposite today and to say how pleasant it is to find before us a bill which is very simple. In fact, it is so simple that anyone in the House can understand it. It is only one and a half

pages long, it contains only five clauses and it amends two separate acts of parliament.

I cannot suggest that it was my criticism of the other bill which brought about this change because, after all, this bill was already before us. But it does give me an opportunity to say it is not new for a piece of social legislation to be drafted in simple terms. This was particularly true of the original Family Allowances Act. I remember it well. Nevertheless, I went into the library to get a copy, and here it is, only five pages, as we passed it in 1944, and under it millions of Canadian children have enjoyed the benefit of family allowances during the past three decades.

I found myself in a nostalgic mood when my hcn. friend from Assiniboia was speaking and referring to his childhood memories. He recalled the family allowance cheque which came in month by month, which enabled his mother to keep things going for him and for the other children in the family. I realized as he spoke that I was here voting for the Family Allowances Act before he was born. As a matter of fact, I would be interested in knowing how many of those who are in this chamber today—any member under 30 and a good many of those between 30 and 40—are healthy, strong, Canadians because we passed the Family Allowances Act in that parliament back in 1944. Not only was it a simple piece of drafting, it was also a very effective piece of legislation, as so many members can testify.

Another interesting fact is that when the original bill was passed in 1944, the top amount payable as a family allowance was \$8. That top level has remained unchanged ever since the bill was passed in 1944. So really we are raising the amount for the first time since the act was put on the statute books. It is to be \$12 commencing in October, and in a few months we shall be raising it to \$20 a month.

I do not wish to spin out the debate because I think it would be a good idea to get the bill through the final stages this afternoon so that it can be put into operation this coming month. It is precisely because of its simplicity that the hon. member for Hamilton West was able to get such a specific answer from the Minister of National Health and Welfare. When complicated calculations have to be made, there can be delays. But when all you do is change a figure in the printing machine which produces the cheques from 8 to 12, things can be done very quickly. So the minister was able to give a positive assurance that if this bill is finally passed by parliament within the next few days, there is no question the October cheques will be based on the higher amount.

I am not saying these things lightly, but because they underline the value of the principle of universality. I listened to what the minister had to say a few moments ago about universality versus selectivity, and also about the distributive effect of these payments. We can go into that on a later occasion. I still want to underline my belief that the best social policies are those which treat people as people, which do not go into the area of charity or selectivity, but which are based on the principle of universality. It was a good bill we passed in 1944 and this is a good amendment which the minister is making today, though it is only good, of course, in the sense that it is an interim