

Family Allowances

families ordinarily resident in the country containing a specified minimum number of children. In 47 countries, entitlement to allowances is ordinarily an incident of employment relations, that is, allowances are limited to employees. In all countries except three—Bulgaria, South Africa and Yugoslavia—basic allowances are paid irrespective of family income. In all, the general trend is toward government financing rather than contributory payments, and greater acceptance of the proposition that child-rearing costs are a community responsibility.

We in Canada are fortunate to live in a rich country. We boast every year about our increasing gross national product, about our increased productivity. We have seen how practically all nations which call themselves civilized have adopted universal family allowance schemes. I feel, Mr. Speaker, that the principles underlying this legislation are good. The government recognizes that families with children have special needs. On the basis of this recognition and of the urgency of the matter before us, I hope members of this House will give unanimous assent to the passage of the bill.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I hesitated at first to enter into this debate because I was involved in the earlier debate on pensions, related to members of the public service and other servants of the government of Canada who have served their time and who now, I think, need some protection. I was very happy to support that bill. I am glad to say I am prepared to support the bill which is now before the House, if on no other ground than that which was mentioned a few moments ago by the hon. member who has just resumed his seat. He said there were families in this country who are in need. There are families in need in the communities represented by each of us.

But before we rush into consideration of this bill in its final stages I think it is well for us to consider where the need really lies and, more importantly, how that need arose and what is our responsibility in the face of that need. We have heard several most interesting debates thus far since parliament resumed. We have discussed amendments to the Pension Act, amendments to the social security legislation and, currently, the measure which is before us. All this represents what has been described as another stopgap effort in a somewhat meaningless fight against inflation in response to a crisis situation, blame for which lies to a great extent upon the shoulders of the government.

Mr. Speaker, I propose to quote a paragraph which appeared in the *Financial Times* edition of September 10, 1973. It is taken from an article dealing with the economy, which I believe offers the best description of the package of legislation placed before us as an anti-inflationary measure. The article, which appears on page three, starts this way:

The government put another finger in the dike in an attempt to stop the rising tide of inflation but the latest anti-inflation package seemed to be just another stopgap attempt until the floodwaters subside.

That is what has happened in this country, Mr. Speaker. We have gone from crisis to crisis, from economic calamity to economic calamity, putting a piece of sticky plaster here and a piece of sticky plaster there, stopping the flow of our

[Mr. Olausen.]

economic blood rather than getting down to fight, on its own ground, what has become the cancer of inflation.

Mr. Smith (Saint-Jean): What do you propose?

Mr. Baker: Mr. Speaker, every time I hear the hon. member on the other side open up, I realize that the noise he makes is as the noise from an empty barrel.

There is no doubt that the country cannot continue to afford the laying on of sticky plasters. There is no doubt that there is an end to what a growing nation, a nation which is dependent on other parts of the world, can hope to salvage by continually increasing payments, as worthy as they may be, without at some time or other taking a long, hard look at the causes and asking itself whether or not the time has come for a government, at long last, before the course is run and before economic calamity takes place in the country, to cry halt.

The problem about the government, Mr. Speaker, is that it has not yet decided to cry halt. We are faced with measures which propose just temporary relief for persons in need. I do not want to suggest, and I would not suggest, that such relief is not needed. But neither the government nor anyone else in this country should delude themselves into thinking that the policies which were announced in that empty speech delivered by the Prime Minister (Mr. Trudeau) on September 4 will ever do anything to get to the root of our economic troubles.

Mr. Smith (Saint-Jean): But will you vote for the bill?

Mr. Baker: I think I made my position clear with respect to this bill at the outset. In the name of those people who are suffering because of the inadequacies of the policies of the government, of course I will vote for the measure. At the same time, I want to make it clear that until this country accepts the fact that we cannot fight the problems we face in 1973 with the economic weapons of the 1950s, until we decide to look our problem in the eye, to grasp the nettle firmly, to tackle these difficulties with new economic policies and new economic controls such as have been outlined as the policy of our party, we are fighting an action whilst in retreat.

Mr. Speaker, I ask you to note that we are living in a nation where the wholesale price index is galloping upward, where the consumer price index is galloping upward, where farmers are facing an intolerable burden of production cost, where they are asked to produce under this burden, where we have big unions and labour who not only expect inflation but accept it as a way of life. The unions are told by their membership, "Protect us against this expected inflation." There is an economic psychosis present in our country. I think it has been well demonstrated by the lack of progress that the policies of this government have failed to cure it.

● (2120)

We must not look to increased allowances for anything more than temporary relief. We must get down to the root of the problem. We must tell the farmer that we will control his input costs, that we will ensure the eastern farmer a reasonable supply of feed grain at a reasonable price. We must tell the old age pensioner and those in this