

*Family Allowances Act*

vote we may test the opinion of the people's elected representatives on this important matter.

The Family Allowances Act was passed in August 1944, and went into effect on July 1, 1945. During the last year family allowances were paid on behalf of 4,500,000 Canadian children, and to almost two million families. Payments for the year ended March 31, 1952, amounted to \$320 million. I believe those payments have resulted in some improvement in nutritional standards, in better clothing, and in better educational and medical care and facilities for Canadian children.

An increase in the family allowance at this time is an investment in the future. It will mean that our children, who reach manhood and womanhood in better health, will have the opportunity of receiving better education. It will mean that when they take their places as adults in our national life they will make a greater contribution to the production of our country because of their improved health standards and better educational qualifications. This increase in our national production will bring with it an improvement in our standard of living.

When introducing the measure in 1944, the late Right Hon. W. L. Mackenzie King, the then prime minister, pointed out that of the persons presenting themselves for enlistment in the armed services, 39.3 per cent were rejected for medical reasons. He went on to point out that if a family allowances act had been in effect in previous years it was his belief that the rate of rejection would not have been as high.

Not only will an increase in family allowances contribute to a greater production of wealth in Canada in years to come, but if this country in the future is again called upon to face a national emergency such as we had between 1939 and 1945, I believe our young citizens would be better able to come to the defence of our way of life.

When I introduced the resolution a year ago the Minister of National Health and Welfare said that perhaps I had missed a more important point, that I should have been advocating that the age limit be increased from 16 to 18 years. All I say to the minister on that point is that if the government thinks that is a better way to improve family allowances, than by increasing by some 60 per cent the basic rates, as I now advocate, I shall be perfectly happy to accept such an amendment, and shall agree that such action would constitute a reasonable improvement in family allowances for the time being.

I do feel however it is not right or fair for any government in any year to pass a social

[Mr. Argue.]

security measure and then, in years following, by permitting a condition of inflation to prevail, take away a large part of the social security effected by the measure.

The increase in the cost of living has reduced by at least 40 per cent the effectiveness of amounts received for family allowances since August, 1944. If we are to restore to the family allowance cheque the 1945 value, then the present dollar value of those cheques needs to be increased by 60 per cent. This would increase minimum payments from \$5 to \$8 per child per month, and maximum payments from \$8 to \$13 per child per month.

The cost of living index in August, 1944, was 118.9, while in November 1952 it had risen to 184.8, or an increase in that period of time of more than 55 per cent. If one looks at the main items on which family allowance payments are spent one finds that while the clothing index was 121.5 in August, 1944, in November of last year it stood at 205.5, or an increase of 69 per cent. In that same period of time the food index increased from 131.5 to 229, or an increase of 74 per cent.

I say that in view of these increases of 69 and 74 per cent on clothing and food, respectively, the suggestion I make that family allowance payments should now be increased to the extent of 60 per cent is a modest one, and something the government should implement immediately.

If one looks over some of the important food items he will find that the increase in cost is considerably greater than the general cost of living increase. For example, we realize that milk is the most important single item of diet in the life of every child, and we find that the price of milk has increased from 10.4 cents a quart in January 1944 to 21.1 cents in October 1952. This increase was brought about mainly by general inflation, and a general increase in the cost of production and distribution. But, in part, the increase was brought about by the fact that the government removed the subsidy that at one time it paid on milk.

The price of stewing beef, one of the cheaper cuts of meat, increased from 22.7 cents per pound in January of 1944 to 59.5 cents in October, 1952. Meat is a high protein food which is one of the essentials in the diet of children. I am sure that any medical man will tell you that it is necessary to good health. As I have pointed out, the cost of stewing beef increased by some 150 per cent.

The general effect of the increase in the cost of living has been a decrease in the consumption of milk. In 1946 the consumption of milk in Canada was some 60 million hundredweight; the consumption of milk in