

forget that in the international money market billions of American dollars being held abroad are depreciating in value. Many holders of American dollars abroad have been buying American wheat, soybean, and so on, in the commodity market so as to protect their dollars.

This bill is to allay the price of foodstuffs. A certain danger now exists. The price of barley is quite high. It is agreed that with the present state of pricing, producers of hogs and cattle could have to have increased prices. There is also the problem of the hassle between the governments of Manitoba and Saskatchewan and the minister in charge of the Wheat Board. This is a matter of uncertainty and will raise the price of grain and input of the feeder.

As well as this bill, the government could have moved in other ways to improve food production. The tax bill passed recently makes it exceedingly hard for farmers. The manufacturing and processing industries received tax benefits, but the government did not even restore the straight line machinery benefit or a real basic herd provision. The continuing impact of capital gains, dovetailed with the continuation of the estate tax by the provinces, has a very deadening effect on long-term agricultural production and planning. This is perhaps due to the basic individual nature of the farming industry.

I have attempted to detail some of the reasons food costs have risen, prompting the bringing forward of this bill. It has been stated this bill is necessary because of the increase in the cost of living, mainly in the price of food.

Mr. Harry Olausen (Coast Chilcotin): Mr. Speaker, in today's world there is a need for improved social conditions. There is a need for improvement in the quality of life. There is a yearning for the better things in life. However, we find people such as the hon. member for Témiscamingue (Mr. Caouette) who are quick to criticize governments for trying to improve social and economic conditions, and quick to criticize provinces which attempt to do something for the average person. I will not go into that question in further detail. All I can say is this: if that kind of rhetoric is put into practice, I feel sorry for the average person in this country and, indeed, for the world.

Canada today finds itself at a stage in which the cost of living is affecting every man, woman and child. The price spiral is particularly felt by those on low incomes and by those blessed with one or more children. The decision to bring in an immediate change to the present Family Allowances Act in order to cope with the inflationary spiral in this country reflects the need for such action. It reflects the need to enable families to meet greater financial commitments in feeding and clothing their children. This decision, I am sure, is welcomed by most members who feel that immediate relief is essential in this area and that, coupled with other plans to deal with the cost of living, the burden to low-income Canadians can be reduced and that families can afford to live in a manner befitting a civilized and a rich industrial country such as ours.

As a result of this bill, the main purpose of which is to provide allowances to consumers as soon as possible, the 3½ million families in Canada will benefit from an across the board increase to \$12 per month, regardless of the children's age. This will be followed by an increase to \$20

Family Allowances

per month starting in January, 1974, and according to the formula determined in each province. Undoubtedly there are many who would criticize a family allowance program and the need for such benefits. First, I must point out that the program came into effect in 1945. It was universal in scope, covering every child under the age of 16 who was born in Canada or who had been resident in Canada for one year. The program has been in effect since then and reflects a commitment to the dignity and worth of the individual and the family. It reflects a need to be humane and fair both in the benefits and in the administration of such a program. It reflects a need to avoid discriminatory provisions. Finally, it reflects a need to provide a level of benefits sufficient to assure every Canadian family the necessary resources to escape poverty.

We are all agreed that the presence of children places a financial burden on low-income families. Wages and salaries do not ordinarily take into account the size of a person's family. Neither do most social insurance measures. The government must see to it that families are given the resources to raise their children in the best way possible because the health and well-being of the children is important in a civilized and concerned society such as we have in Canada.

There are those who claim that giving family allowances will encourage families to raise more children. However, sociological studies do not show that this is so. The Canadian population rate has been going down. The birth rate in the province of Quebec, where large families have been usual, has been the lowest of any Canadian province. According to the tables provided by Statistics Canada, live births per 1,000 population for Canada in 1961 were 26.1. In 1971 the figure was reduced to 16.8. In British Columbia, for the information of my constituents, live births have gone down from 23.7 per 1,000 population in 1961 to 16 per 1,000 population in 1971.

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In Quebec, where birth rates have always been high, we find that live births per 1,000 population went down from 26.1 in 1961 to 14.8 in 1971.

These details emphasize the fact that the country's birth rate has decreased dramatically and that family allowances have no effect on the size of the family. There is no need to discuss the inadequacies of the family allowances bill which was debated in the House last year. Suffice it to say that the Liberal majority government of last year intended to create greatly expanded bureaucratic machinery to deal with a scheme which was totally unrealistic and unacceptable to the opposition members of the House. I am therefore glad to see that the principle of universality has not been discarded in the measure before us and that it is not to be discarded in the foreseeable future. The universal aspect of this piece of social insurance legislation is fundamental to an act of non-discrimination. It is not a welfare assistance program and does not stigmatize families by dividing them into income categories.

We find that with the recent introduction in Japan of allowance programs there are now 63 countries which have family allowances schemes in effect—all the industrialized countries with the exception of the United States. Fifteen countries provide allowances in principle to all