report of the Department of National Health and Welfare shows that more than 2 million families are in receipt of family allowance cheques on behalf of almost 5 million children. A little later on I am going to give some income statistics which I believe will demonstrate that family allowance cheques are absolutely essential to the welfare of the family. Moreover, I believe I can demonstrate that the incomes of the vast majority of Canadian families are at a level which makes it necessary to consider an increase in the amount of the allowance at this time.

In some quarters it is being advocated that family allowances be doubled. Another suggestion is that the payment of the family allowance should be extended on behalf of children beyond the age of 16, probably up to 21, as long as those children remain in school. I think that suggestion is a valuable one. I feel it is one that the government and the house might consider. It seems to me that the importance of education and the high cost of it in this technological age should cause the government to consider encouraging young Canadians to stay in school as long as they can profitably do so. I believe, therefore, there is real merit in the suggestion that the age up to which family allowances may be paid should be extended.

The family allowance is just one aspect of the Canadian social security program. It is one instance where the government has provided a very important piece of legislation, and year by year has stood idly by while inflation has taken away a substantial part of the original program. This is not the only field in which the government, by standing idly by in an inflationary period, has allowed the value of social security legislation to deteriorate. I refer now to the old age pension cheque. The last increase in the amount paid old age pensioners was in April, 1949. It is true that since then the means test has been removed, and therefore the number of Canadians who are receiving old age pension cheques has been greatly increased. Nevertheless, since April, 1949, inflation has caused a very serious deterioration in the purchasing power of the old age pension cheque.

I have made some calculations, and on the basis of the consumer index for 1955 the old age pension cheque which was worth $40 in 1949 is today worth only $34.29 in terms of 1949 purchasing power, a deterioration of $5.71 since that time. I do not think anyone will say $40 a month for an old age pensioner in April, 1949, was too high. Certainly $34.29 in terms of 1949 purchasing power is today far too low. Not only in the field of family allowances, therefore, but in the field of old age pensions the value of the social security legislation has been allowed to deteriorate.

I have in my hand a table which shows the increase in the consumer price index each year since 1945, and the resultant decrease in the value of the family allowance. The consumer price index for 1945 stood at 75 and the initial family allowance cheque for the youngest child was $5. The next year the consumer price index was 77·5 and the value of the $5 cheque was reduced by 10 cents, to $4.90. The next year the consumer price index was again higher and the value of the $5 family allowance cheque had deteriorated an additional 50 cents to become worth only $4.40. The following year there was a further large increase in the cost of living and the value of the family allowance cheque went down another 50 cents to $3.90. Year by year, with the exception of 1953, inflation has caused a decrease in the value of the family allowance cheques until in terms of 1945 dollars, the year in which family allowances were first paid, the 1955 family allowance cheque of $5 became worth only $3.20. In 1955 the $6 family allowance cheque had deteriorated in value to $3.84; the $8 cheque had deteriorated in value to $5.93.

To show the position of our family allowance legislation, on the assumption that inflation continues in the next 10 or 20 years at the same rate as in the last 10 years, and the government does nothing in the next 10 or 20 years in regard to increasing the family allowance, we shall find 10 years from now that the $5 family allowance cheque will be worth just $2.05, and that 20 years from now a cheque worth $5 in 1945 will be worth $1.41.

I do not believe this government, or any other government that may be in office during the next 10 or 20 years, if inflation should continue at the same rate, will stand idly by and allow the value of family allowances to deteriorate from $5 to $1.41. I do not believe the people of Canada will stand for that being done. They will not stand for this drastic drop in the value of family allowances, which I have estimated to be 36 per cent. Now is the time for the government to consider restoring the value of the family allowance.

If nothing is done about it, 10 years from now the $6 cheque will be worth just $2.46, and 20 years from now, $1.69. The $8 cheque, the largest that is payable, 10 years from now will be worth $3.28, and 20 years from now, $2.26.

There is another way to demonstrate the deterioration in the value of family allowances. The family allowances legislation was