

## PART II.—PUBLIC WELFARE AND SOCIAL SECURITY\*

Responsibility for social welfare in Canada has rested in large part on the provinces which, in turn, have delegated an important share of this responsibility to the municipalities. While constitutional authority has not changed, except with respect to unemployment insurance and old age pensions, the financial participation of the Federal Government has been greatly extended in the past two decades in the provision of income maintenance payments.

The creation of the Department of National Health and Welfare in 1944 established for the first time in the Federal Government a Department in which matters of welfare are a major responsibility. The Department is charged with the administration of Federal Acts relating to welfare which are not assigned by law to other departments. In addition to the general promotion of social welfare, the Welfare Branch of the Department administers the family allowances program, the old age security program and the federal aspects of old age assistance and allowances for blind persons. In addition, grants are made to the provinces for physical fitness.

Unemployment insurance is administered by the Unemployment Insurance Commission; welfare and health services for veterans by the Department of Veterans Affairs; and the welfare of Indians and Eskimos by the Department of Citizenship and Immigration and the Department of Resources and Development, respectively.

Administration and financial responsibility in other fields of welfare, such as mothers' allowances, child protection and general assistance or relief, are left entirely with the provinces and their local subdivisions.

Major developments in 1951 included the amendment to the British North America Act allowing the Federal Parliament to legislate with respect to old age pensions, and the changes in federal and provincial legislation for old age income security and for pensions for the blind.

### Section 1.—Federal Government Programs

#### Subsection 1.—Family Allowances

The Family Allowances Act, 1944, was introduced as a basic social security measure designed to assist in providing equal opportunity for all Canadian children. The allowances, which involve no means test, are paid entirely out of the Federal Consolidated Revenue Fund and are not part of taxable income under income tax, although persons with children eligible for family allowances obtain a smaller income tax exemption for such children than for children not so eligible.

Allowances are payable in respect of every child under the age of 16 years who was born in Canada or has been a resident of the country for one year, or whose father or mother was domiciled in Canada for three years immediately prior to the birth of the child. Monthly payment is made normally to the mother although any person who substantially maintains the child may be paid the allowance on his behalf. The allowances are paid at the monthly rate of \$5 for each child under 6 years; \$6 for each child from 6 to 9 years; \$7 for each child from 10 to 12 years; and \$8 for each child from 13 to 15 years. The allowances are paid by cheque,

\* Except as otherwise indicated, this Part was prepared in the Research Division, Department of National Health and Welfare, Ottawa.