

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, allowances for blind persons and the new program of aid to disabled persons. Grants to the provinces to promote physical fitness were introduced in 1943 but the Act providing for them was repealed in June 1954.

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 Northern Affairs and National Resources, respectively.

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

## Section 1.—Federal Government Programs

### Subsection 1.—Family Allowances

The Family Allowances Act was introduced in 1944 as a basic social security measure designed to assist in providing equal opportunity for all Canadian children. The allowances involve no 'means test' and are paid entirely out of the Federal Consolidated Revenue Fund. They are not part of taxable income 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 for Eskimo children and a group of Indian children for whom payment is made largely in kind because of lack of exchange facilities in remote areas and the need for education in the use of nutritive foods.

If it is satisfactorily shown to the authorities that the allowances are not being spent for the purpose outlined in the Act payment may be discontinued or made to some other person or agency on behalf of the child. Allowances are not payable for any child who fails to comply with provincial school regulations or on behalf of a girl who, although she is under 16 years of age, is married.

Family allowances are administered by the National Director of Family Allowances of the Department of National Health and Welfare through Regional Directors in offices located in each provincial capital. A Welfare Section in each regional office deals with welfare questions arising out of the administration of allowances. A Supervisor of Welfare Services advises each Regional Director and reports through him to the Chief Supervisor of Welfare Services, who acts in a similar advisory capacity to the National Director. The actual preparing and issuing of the cheques is the responsibility of the treasury division of each regional office which reports to the Chief Treasury Officer of the Department of Finance with the Department of National Health and Welfare.

The Regional Director for the Yukon and Northwest Territories, located at Ottawa, is responsible for payments to families in those areas. Close co-operation is maintained with the Departments of Citizenship and Immigration and of Northern Affairs and National Resources which are responsible for the welfare of Indians and Eskimos, respectively (see Population Chapter, pp. 173 and 174).