

but there is a smaller income tax exemption for children eligible for allowances. The Province of Quebec introduced its own family allowances program, supplementing the federal scheme, under legislation enacted in 1967 (see p. 342).

Allowances are payable in respect of every child under the age of 16 years who was born in Canada, or who 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. Payment is made by cheque each month, normally to the mother, although any person who substantially maintains the child may be paid the allowance on his behalf. Allowances are paid at the monthly rate of \$6 for each child under 10 years of age and \$8 for each child age 10 or over but under 16 years. If the allowances are not spent for the purposes 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 is married and under 16 years of age.

The program is administered by the Department of National Health and Welfare through regional offices located in each provincial capital. The Regional Director located at Edmonton also administers the accounts of residents in the Yukon and Northwest Territories.

The Federal Government pays family assistance, at the rates applicable for family allowances, for each child under 16 years of age resident in Canada and supported by an immigrant who has landed for permanent residence in Canada, or by a Canadian returned to Canada to reside permanently. The assistance, which is payable monthly for the first year of the child's residence in Canada, is intended to bridge the gap until the child becomes eligible for family allowances.

2.—Family Allowances Statistics, by Province, Year Ended Mar. 31, 1967 with Totals for 1965-67

Province or Territory	Families Receiving Allowances in March	Children for Whom Allowances Paid in March	Average Number of Children per Family in March	Average Allowance ¹		Net Total Allowances Paid during Fiscal Year
				Per Family	Per Child	
	No.	No.	No.	\$	\$	\$
Newfoundland.....	70,435	210,082	2.98	20.08	6.73	16,960,053
Prince Edward Island.....	14,099	39,342	2.79	18.81	6.74	3,190,484
Nova Scotia.....	105,214	264,998	2.52	17.01	6.75	21,507,992
New Brunswick.....	82,929	229,798	2.77	18.76	6.77	18,752,034
Quebec.....	805,315	2,034,966	2.53	17.10	6.77	165,095,827
Ontario.....	1,007,038	2,308,919	2.29	15.48	6.75	185,309,485
Manitoba.....	131,011	315,166	2.41	16.26	6.76	25,651,443
Saskatchewan.....	130,876	330,015	2.52	17.05	6.76	26,870,934
Alberta.....	216,086	527,411	2.44	16.50	6.76	42,563,978
British Columbia.....	264,480	605,443	2.29	15.50	6.77	48,525,782
Yukon Territory.....	2,169	5,285	2.44	16.52	6.78	425,625
Northwest Territories.....	4,289	11,449	2.67	18.51	6.93	941,310
Canada..... 1967	2,833,941	6,882,874	2.43	16.42	6.76	555,794,947
1966	2,785,636	6,865,057	2.46	16.59	6.74	551,734,824
1965	2,746,549	6,817,013	2.48	16.68	6.72	545,775,231

¹ Based on gross payment for March.

Subsection 4.—Youth Allowances

Legislation providing for a program of youth allowances became effective Sept. 1, 1964. The Federal Government does not provide youth allowances in Quebec, which has had its own program since 1961, but that province is compensated by a tax abatement adjusted to equal the amount that the Federal Government would otherwise have paid in allowances to Quebec residents.