## TORONTO, FRIDAY, SEPTEMBER 17, 1943

## \$180,000,000 FAMILY BONUS A FANTASTIC PROPOSAL.

Many peace-time habits and customs of Canadians have been destroyed or made unrecognizable by the war. Who, in 1939, would have been bold enough to prophesy that in 1943 the people would be rationed on butter, meat and canned fruit, restricted in their freedom to move from one job to another and in danger of fine and imprisonment for trading a pound of sugar for a pound of coffee. Regulations such as these would have been regarded in the prewar days as unthinkable, or at least highly improbable. Yet they are accepted to-day as part of the war.

These reflections arise from the perfort from Ottawa that the cabinet is examining a system of family allowances, estimated to cost \$180,000,000 annually, as an alternative to the removal of the wage ceilings and the ensuing threat to the anti-inflation policy. The bonusing of families by the Finance department at the same time as it is taxing them as they have never been taxed before is so paradoxical that it might be regarded as an Ottawa nightmare were it not for the other examples of topsy-turvydom to be found on every side. Anything can happen these days and frequently it does. The family bonus proposal is reported as having a "fair prospect."

It would mean another bulge in the civil service to operate it and it would also fly in the face of theory of price controls as a method of defeating inflation. The greatest single inflationary force is excess buying power in the hands of the public at a time when there is a scarcity of consumer goods. One of the purposes of the high taxation Finance Minister Ilsley has imposed is to drain off this excess purchasing power, thereby easing the upward pressure on prices. The wage control order itself was imposed as a means of holding down manufacturing costs and also to prevent an increase in public buying power.

Any family bonus plan with "everyone in on it," as the Ottawa report suggests, would mean increasing public purchasing power, increasing the pressure on the price ceilings and increasing the danger of inflation. It would simply mean opening a side door to the big, bad wolf while still fighting him off at the front door.

The whole idea appears fantistic and if it is being seriously considered it is an indication of the lengths to which the ministry will go to placate the segment of the public which is demanding removal of the wage ceilings.

Moreover, with a general election probable within a year an \$180,000,000 bonus to families would be the most bare-faced, monstrous bribe ever attempted in a democracy. TORONTO TELEGRAM SFP 171943

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