

Halt Payments For 21,769



Complaints Of Misuse Also Probed

Ottawa, Dec. 3, (CP)—Family allowances of more than 21,000 children were suspended last year because of improper absence from school. The federal Health Department in its 1947-48 annual report says that during the year 51,181 cases of improper absence from school were reported to family allowances regional offices. The allowances were suspended in respect of 21,769 children. Subsequently, on resumption of school attendance by the children, some 8,104 allowances were reinstated.

Few Justified

The allowance payments are conditional on the child's attendance at school as required by the province in which he resides. Children under 16 but above the compulsory school attendance age are not entitled to allowances if they are employed for wages.

The report said that 10,636 complaints arising out of the allowance payments were investigated during the year. It added:

"A review of the action taken indicates that, in approximately one-third of the cases, no change was found necessary; in other words the payee was considered a suitable recipient of the allowances. In other cases, changes of payee were made, or a third-party administrator was used in a minority of cases.

"It is of interest to note that, in the matter of complaints of misuse of allowances, of 1,580 such cases reported, 1,046 were discovered on investigation to be unfounded, so that payment was undisturbed."

Surveys to date indicate that family allowances continue to be used in the main for better clothing, more nutritious food, dental care and educational and recreational advancement. Some are using the money to build up savings accounts or to buy insurance for their children.

"It is probably true, to a considerable degree, that while family allowances were designed to improve living standards, a considerable part of their effect has been to help maintain existing living standards," said the report.

Value Apparent

"In other words, the plight of Canadian homes, in the face of greatly increased living costs, would have been much more serious had family allowances not been paid. An even greater test of family allowances may come if, for any reason, present high levels of employment slacken and incomes decrease. In such a period, particularly if costs of living fails to decrease as rapidly as family incomes may do, then the value of family allowances will become even more apparent.

Overpayments

Since payments of the allowances began July 1, 1945, overpayments have amounted to \$493,215. Of this \$258,885 is recoverable by reductions from a continuing account, and \$229,334 is recoverable by direct collection from the recipient. The balance of \$4,985 is regarded as probably non-collectable.

In 1947 the payments totalled \$264,073.281 divided as follows, Prince Edward Island \$2,257,561; Nova Scotia, \$14,252,586; New Brunswick, \$12,097,153; Quebec, \$87,630,726; Ontario, \$77,585,749; Manitoba, \$14,434,198; Saskatchewan, \$18,570,216; Alberta, \$18,225,052; British Columbia, \$18,037,675; Northwest Territories and Yukon, \$465,589.

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