

UNITED STATES DEPARTMENT OF LABOR

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BUREAU OF LABOR STATISTICS

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Family Allowances in Various Countries 1944-45



Bulletin No. 853

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Washington 25, D. C. - Price 10 cents

Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D. C., December 5, 1945.

The SECRETARY OF LABOR:

I have the honor to transmit herewith a report on civilian family allowances in various countries, covering developments in 1944 and 1945. This report was prepared by Mary T. Waggaman of the Bureau's Publications Staff.

A. F. HINRICHS, *Acting Commissioner.*

HON. L. B. SCHWELLENBACH,
Secretary of Labor.

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Bulletin No. 853 of the

United States Bureau of Labor Statistics

[Reprinted from the MONTHLY LABOR REVIEW, November 1945, with additional data.]

Family Allowances in Various Countries, 1944-45¹

Summary

The wastage of youth in war has intensified world interest in the rising generation, resulting in the extension of child-welfare programs and in increased action in the special field of civilian family allowances. In 1944-45 substantial progress was made, which is reviewed in this article.

During the war three family-allowance measures for civilians were enacted in the British Empire—the Australian Act of 1941, the Canadian Act of 1944, which became effective July 1, 1945, and the British Act of 1945.

In New Zealand, under a provision effective October 1, 1944, family allowances were raised, the gross weekly income limit beyond which a family is not eligible for these benefits was increased, and further liberalization has been under discussion. In South Africa, a report including a recommendation for family allowances was submitted to the Parliament in 1944, and a select committee was appointed to study this document. This committee was in turn to make recommendations to the 1945 legislative session. Proposals for family allowances are also under consideration in Southern Rhodesia.

In Continental Europe, Belgium provided for family allowances in its new social-insurance legislation and widened their coverage. France raised rates of benefits. A social-insurance program recently drafted for Czechoslovakia contains provision for children's allowances. In Rumania, employees and laborers of private industrial and commercial enterprises have been entitled to a family bonus since July 1, 1944. Soviet Russia has increased its appropriations for large families. In Spain, an increase in the rate of allowances and a more intensive application of the family-allowance system to agriculture were effected. Strengthening of the family-allowance provisions and a liberalization of regulations took place in the Swiss Cantons. Within the past 12 months, Denmark, Norway, and Sweden have taken steps which manifested their interest in easing family financial burdens.

Some developments in the field of family allowances in the period under review are recorded for at least 5 Latin American countries—Argentina, Bolivia, Brazil, Chile, and Uruguay. Colombia's new labor law makes reference to possible consideration of family responsibilities in the determination of wages.

In the United States in 1944-45, the salary schedules in a relatively small number of public school systems included supplements for teachers with family responsibilities. Aid for dependent children under

¹ For developments in earlier years, see Bulletins No. 754 and No. 803.

the Social Security Act in the calendar year 1944 exceeded \$135,000,000. From July 1, 1942, through April 30, 1945, \$7,063,138,895 was disbursed in family allowances for the dependents of the Army, Navy, and Coast Guard personnel, \$2,599,590,939 being contributed by the members of the Armed Forces themselves. The provision of \$50,000,000 in the 1946 Appropriation Act for the Department of Agriculture for school lunches might be regarded as a grant for children's allowances in kind. Other proposed benefits, such as large lump-sum birth bonuses, an appropriation of \$150,000,000 for student aid in behalf of certain youth under 21 years continuing their education or training, and a "basic food-allotment" system, are close to the border line of child endowment. Demands for higher pay and for a guaranteed annual wage are becoming more frequent.

General trends in family allowances.—There appears to be a growing tendency to correlate family allowances with credit for dependents under income-tax legislation, which emphasizes the fact that children of parents in the very low income brackets receive little or no benefit from such exemptions.

The controversy between the advocates of family allowances in cash and of allowances in kind seems to be developing into a compromise which would provide for both types of benefits. For example, a recent British article states that "cash allowances and social services should not be regarded as alternatives but as different facets of a common policy."²

That family allowances are becoming more acceptable to organized labor is indicated in the recent annual interviews of delegations from the principal Canadian federations of labor with members of the Dominion Cabinet and the statements of British labor representatives in parliamentary debates. These allowances were recommended in the declaration of the Committee on Postwar Reconstruction and Immediate Trade Union Demands at the World Trades Union Conference at London in February 1945. A delegate from the Congress of Industrial Organizations was chairman of the committee.

British Empire

GREAT BRITAIN³

The British Family Allowances Act of June 15, 1945 (8 and 9 Geo. 6, ch. 41), will bring into being a reform advocated since World War I. According to estimates by the Government, approximately 2,500,000 families with 2 or more children will come under the act, and about 4,400,000 children will be eligible for allowances. It is estimated that the law will entail an annual cost of £57,000,000.⁴ The cash allowances are to be supplemented, under the new Education Act, by free milk and meals to school children, at an ultimate cost of £60,000,000 per annum.

Major provisions.—The act, which is based largely upon the proposal for family allowances in the Beveridge Report on Social Security and the subsequent White Paper on the subject, provides for an

² The Highway (London), April 1945 (p. 99).

³ Data are from 8 and 9 Geo. 6, ch. 41; British Speeches of the Day (British Information Services), April 1945 (p. 300); Canadian Labor Gazette (Ottawa), June 1945 (p. 812); and Parliamentary Debates, March 8, 1945.

⁴ Average exchange rate of British pound in July 1945, free = \$4.020.

allowance to every family including 2 or more children, at the rate of 5 shillings per week for each child in the family except the eldest. A "child" is defined as a person under the upper limit of the compulsory school age; or one over that age until August 1 next following his or her sixteenth birthday, if attending school full time or apprenticed. Beneficiaries include the own child or children of a man and wife living together and other children being maintained by them; or the own child or children of a man not living with his wife or having no wife, and any children maintained by him; or those of a woman not living with her husband or having no husband, and any children maintained by her.

Children who are already receiving benefits under the Poor Law Act, 1930, or under the Widows', Orphans' and Old Age Contributory Pensions Act, 1936, are not to be treated as included in any family. Adjustments are to be made in cases of children for whom equivalent grants are receivable under provisions for the naval, military, and air forces and for war injuries.

Certain residential requirements are specified, but reciprocal arrangements are permitted with other parts of the British Dominions having similar legislation.

Allowances for the family of a man and his wife living together are receivable by either parent. Such grants are inalienable.

A penalty of imprisonment not to exceed 3 months, or a fine not exceeding 50 pounds, is provided for wrongfully obtaining or receiving these benefits. Any person contravening or failing to comply with the regulations made under this act "shall be liable on summary conviction to a fine not exceeding 10 pounds."

Allowances will be considered as taxable income, but the income-tax exemption of £50 per child will be continued.

The act becomes operative on such date as may be determined by the Minister of National Insurance.

Attitude of labor.—The change of attitude of the British Trades Union Congress on the subject of family allowances, noted in previous articles in the Monthly Labor Review, was described as follows during the Parliamentary debates on the new measure:

Now opinion has changed, and the T. U. C., as well as the political movement to which I am privileged to belong, have declared themselves in favor of family endowment, or family allowances, on the principles laid down in this bill. There are two reasons for that. We think now of this great principle which we are establishing, in a modest way, today not as something by itself, but as part of a great comprehensive social-insurance scheme by which we shall provide security for our people. It is in that sense that we have to consider this bill today, not in isolation but in relationship to the other schemes which are forthcoming. It is part of the National Insurance scheme, part of the complete structure which eventually—and in the not-too-distant future—we hope we shall build. I think another reason for the change in public opinion generally, and particularly in our own movement, on this subject, is the fine pioneering work done in this matter, as in every other kind of social security matter, by the Labor Government in New Zealand.

AUSTRALIA ⁵

In Australia, during the fiscal year ended June 30, 1944, the sum of £12,256,976 ⁶ was disbursed for 921,973 children under 16 years of

⁵ Data are from Bulletin of Child Welfare League of America (New York), February 1945; Australia (Australian News and Information Bureau, New York), July 1945; Montreal (Can.) Gazette, June 27, 1945 (p. 17); and Australian Worker (Sydney), January 10, 1945.

⁶ Average exchange rate of Australian pound in 1944—\$3.228.

age, under the Child Endowment Act. This act, which came into effect July 1, 1941, was amended on June 30, 1942, to include children in Government charitable institutions approved by the Minister of Social Service. Previously only private charitable institutions had been covered, except when the maintenance cost of the child was paid partly or entirely by the parent or guardian.

Table 1 gives the amounts disbursed under this act for the 3 fiscal years ending June 30, 1944:

TABLE 1.—*Statistics of Child Endowment in Australia, 3 Years Ending June 30, 1942, 1943, and 1944*

Year ending—	Total number of endowed children	Total amount paid to endowees and approved institutions	Endowed families		Institutions	
			Number	Number of children	Number	Number of children endowed
June 30, 1944.....	921, 973	<i>Pounds</i> ¹ 12, 256, 976	503, 140	903, 577	321	18, 396
June 30, 1943.....	908, 159	11, 659, 626	491, 121	891, 221	315	16, 938
June 30, 1942.....	909, 847	11, 302, 863	487, 674	895, 558	246	14, 289

¹ Average exchange rate of pound in period 1942-44 = \$3.228.

Under an act passed in June 1945, the rate of benefit was increased from 5s. to 7s. 6d. a week for each child under 16 years of age, with the exception of the first. There is no means test. This amendment affects 935,411 children and will, it is estimated, add \$22,100,000 per annum to Government expenditures.

With certain specified exceptions the endowment is paid to the mother. (The term "mother" under the act includes a stepmother or foster mother or the wife of a man maintaining an adopted child.) Mothers in Australia also receive a bonus of \$16 when a child is born and a maternity benefit of \$4 per week for 8 weeks. The great majority of Australians are members of hospital benefit funds which include free hospitalization for maternity care.

The first child in the family is not endowed. It is the belief of the Commonwealth Arbitration Court that "the basic-wage family [parents and one child] should be assured of adequate nutrition, but that nutrition and clothing became matters of concern as the number of children increased." Although efforts are still being made for the extension of endowment to the first child, the cost of such an extension is a hindrance. It was estimated, even before the mid-1945 liberalization of the rate, that endowment of the first child would cost £11,000,000 a year.

The Director-General of Social Services in Australia stated that since the passage of the original act, in 1941, some decline in mortality among children has been apparent and their health and happiness have shown improvement. No spectacular rise in the birth rate is claimed, but to the degree that parents of large families have had some relief from economic harassments, the tendency of the scheme "must be in the direction of improving the rate." An incomplete survey indicated that the majority of the beneficiaries were making "good use" of the allowances under the Child Endowment Act and were applying the grants for the purposes for which they are made.

The Western Australian Commissioner of Native Affairs was quoted as declaring—

Whilst it is obvious to me that, generally speaking, the native children are better dressed and in better health because of payment of child endowment, there have been correspondingly good features arising from payments to endowees. Until recently there was a good deal of simple mating between detribalized parents but now there is a definite tendency towards the social question of marriage, and noticeably, too, there is more desire for the education of native children.

In Australia, as in various other countries, the war has accentuated sharply the fact of the shrinkage in the birth rate, leading the Acting Prime Minister of the Commonwealth to make the following comment:

We must make a realistic approach to the population problem. Australia has 3 million square miles but carries only 7,300,000 people. In prewar days the sharp fall of the birth rate pointed to a decline in Australian population within the next 3 decades. History will some day reveal how close Australia was to being overrun. Divine Providence was on our side. We might not be given another chance.

CANADA ⁷

The Canadian Family Allowances Act of August 1944 became operative on July 1, 1945. Under this statute, a monthly allowance is payable from the Consolidated Revenue Fund, for each child under 16 years of age resident in Canada and maintained wholly or substantially by the parent.⁸ The scale of payments for the first four children is as follows:

	<i>Amount per child</i>
Under 6 years of age.....	\$5
6 and under 10 years of age.....	6
10 and under 13 years of age.....	7
13 and under 16 years of age.....	8

For a fifth child maintained by the parent the above rates of allowance are reduced by \$1;⁹ for the sixth and seventh children, by \$2 each; and for the eighth and each subsequent child, by \$3 each. The grants must be applied "exclusively toward the maintenance, care, training, education, and advancement of the child." Benefits may be discontinued if they are not properly applied.

It has been decided administratively that the allowance shall be paid to the mother or to the female person (if any) taking the place of the mother. Special arrangements will be made in regard to Indian and Eskimo families, the latter to be granted allowances in kind rather than in cash.

Official estimates by the Department of National Health and Welfare indicate that the total disbursements in family allowances for a full year, if all eligible children are registered, will total \$253,560,000, payable to about 1¼ million families, for about 3½ million children. The expenditure is given as a gross figure, no account being taken of refunds to the Government through reduced tax exemptions, which it is anticipated will aggregate about \$50,000,000. The scheme is entirely a Federal project, both financially and administratively.

⁷ Data are from report from Homer S. Fox, commercial attaché, United States Embassy, Ottawa, July 6, 1945 (No. 190); American Sociological Review, June 1945; Public Welfare (American Public Welfare Association, Chicago), August 1945; *Revenge of the Cradles*, by C. E. Silcox (Toronto, Ryerson Press, 1945); Public Affairs (Dalhousie University, Halifax), Winter 1945; Trades and Labor Congress Journal (Montreal), May 1945; and Canadian Labor Gazette (Ottawa), May 1945.

⁸ "Parent" means any person who maintains or has custody of a child. The term does not include an institution.

⁹ A average exchange rate of Canadian dollar=90.9 cents.

Family allowances and tax exemptions for dependents.—The family-allowance scheme has been so devised that it will be of assistance only to families in the lower income brackets. Families having an income of over \$3,000 benefit only by tax exemptions for dependents. In the last census year—1941—upon which some of the estimates relative to family allowances are based, 300,384 persons were assessed for income tax, 66.7 percent of whom had incomes not exceeding \$3,000.

By 1944 the number of taxpayers had risen to 2,450,000, of which 1,290,000 had incomes of \$2,000 or less, and 595,000 had incomes between \$2,000 and \$3,000, leaving a balance of 565,000 with incomes above the level at which any benefit from family allowances is obtainable. While not all of this last group (probably only a minority) have dependent children, the number is perhaps sufficient, added to the number in the \$1,200–\$3,000 income bracket benefiting only partially from the allowances, to make a substantial reduction in the net total allowances payable by the Government.

The legislation is expected to increase the buying power of the Nation and consequently to provide additional employment. As it is officially estimated that 84 percent of the children under 16 are dependent on only 19 percent of the gainfully employed, it is also claimed that the disbursement of funds in family allowances “will be far more effective and equitable than an equal amount of money distributed in increased wages or salaries, without reference to unequal needs.” The statute also tends to rectify the previous anomalous situation which resulted from the financial advantage through income-tax exemptions which were accorded to persons in the middle and higher income groups, but not to those in the low income groups (as family heads with incomes under \$1,200 were not liable for income tax, the exemptions for dependents did not, of course, affect them).

The following tabulation shows the proportion of actual benefit receivable from family allowances which will be canceled by 1945 income-tax adjustment for married persons and persons having a married status (other than those in the armed forces):¹⁰

Amount of taxable income:	<i>Percentage of family allowance to be canceled by lessening the income-tax deduction</i>
Not over \$1,200.....	0
Over \$1,200 but not over \$1,400.....	10
Over \$1,400 but not over \$1,600.....	20
Over \$1,600 but not over \$1,800.....	30
Over \$1,800 but not over \$2,000.....	40
Over \$2,000 but not over \$2,200.....	50
Over \$2,200 but not over \$2,400.....	60
Over \$2,400 but not over \$2,600.....	70
Over \$2,600 but not over \$2,800.....	80
Over \$2,800 but not over \$3,000.....	90
Over \$3,000.....	100

Adjustments for members of the armed forces, and for single persons supporting children, would differ somewhat from the above.

Public attitude toward the law.—Comment on the family-allowance legislation ranges from laudatory approval to highly caustic criticism. For example, the act has been described, on the one hand, as “much the most ambitious social measure ever to be enacted by Parliament,” “a great instrument for combating want,” and “the greatest single reform since the adoption of free education,” and, on the other, has been declared to be “probably the most precipitate and indefensible

¹⁰ The 1945 income-tax arrangement is temporary, pending amendment of the tax law.

piece of legislation which a civilized Government has ever ventured to pass in wartime."

It has been charged that the act is unconstitutional, probably because, under the British North American Act, it is primarily the responsibility of the Provinces to enact social-welfare measures.

Attitude of organized labor.—The new legislation has received little criticism from organized labor, which until recent years feared that the granting of family allowances would adversely affect its claim for increased wages. However, the rise of wage scales in both Australia and New Zealand since they have had child-endowment acts has tended, according to some observers, to allay such fears. At the 1945 annual interviews of representatives of several of the major federated labor organizations of Canada with Dominion Cabinet ministers, references were made to family allowances. The Canadian Trades and Labor Congress recommended such grants, but stated that they must not take the place of an adequate wage rate, and that the Congress would continue its efforts "to achieve the proper wage level as a basic need for workers and their families as a fundamental condition for continued prosperity." The Canadian Congress of Labor also endorsed family allowances with a similar proviso.

The Canadian and Catholic Confederation of Labor recommended that family allowances should not be substituted for decent minimum wages, and advocated that the grant for the fifth child and subsequent children should not be decreased.

Administration of act.—It is said that the success of this venture in family allowances will depend largely upon the administration of the statute, and that the administrative features are more complex than they seem or have been reported to be.

Since the passage of the measure through the Canadian House of Commons, a new department has been established by the Dominion Government for the administration of health and welfare services, and two Deputy Ministers have been appointed, one for health and the other for welfare.

According to a writer in the winter 1945 number of Public Affairs, "If the Federal Government is not discerning enough to work out a coordinated plan with the Provinces and the municipalities in dealing with the social service aspects of family allowances, we will have lost one of our best opportunities for promoting social progress."

NEW ZEALAND ¹¹

In New Zealand, under a measure effective October 1, 1944, the allowable gross income in relation to family benefits was raised to £5 10s. (exclusive of the family benefits), and the weekly benefits for each dependent child under 16 years of age was raised from 7s. 6d. to 10s.¹² Further changes have been proposed. Thus the New Zealand Standard (official organ of the Labor Party) in its issue of March 1, 1945, suggested that one way of coming to the aid of the lower-bracket taxpayer with children, without raising the benefits of those who can afford to pay, would be to eliminate the tax exemption for children

¹¹ Data are from New Zealand, a Working Democracy, by Walter Nash (New York, Duell, Sloan, and Pearce, 1943); New Zealand Standard, February 8, March 1, and April 26, 1945; New Zealand Newsletter, April 1945, and information supplied to the Bureau of Labor Statistics by the New Zealand Legation in Washington.

¹² Average exchange rate of New Zealand pound (20 shillings) in 1944 = \$3.24.

and substitute an income-tax credit of 10s. per week per child. In the same publication, April 26, 1945, a Member of Parliament was quoted as predicting that after the war family allowances will be extended to all persons. In his opinion, the means test, in connection with family allowances, meant in numerous cases that an increase in wages was of little benefit to a worker.

Minimum-family-income legislation proposed by the Government would provide a man and wife with an income of not less than £4 per week; any lower earnings, pension, benefit or income would be augmented by social-security grants in amounts necessary to raise the income to that minimum.

In New Zealand free apples and milk are distributed to school children and free dental treatment is given them in special clinics.*

INDIA

The question of family allowances has been raised in India. The Bulletin of the Indian Federation of Labor (Delhi) of April 1944, contained an article in which it was said—

Size of a worker's family is always expanding. * * * If no provision is made for the members in addition to the average size of the family, then the standard of living of the family is bound to go down. * * * A lower average per consumption unit would mean driving the family to make severe inroads on their health. For it would be impossible even by exercising the extreme frugality to make adequate arrangement for bare necessities. A system of wages should, therefore, take account of these facts and expand with the expanding size of the family. A system of family allowance with an equalization fund is, therefore, suggested. The average size of the family should be fixed and allowance made only in respect of children in excess of the average number.

Since January 1944 a scheme for supplying free milk has been in operation in Bombay City. In the first quarter of that year, 38,764 children each were receiving half a pound of milk a day, served from 13 labor welfare centers.¹³

SOUTHERN RHODESIA

In the South African Journal of Economics of March 1945, reference is made to proposals under consideration in Southern Rhodesia for a social security scheme which would include family allowances.

UNION OF SOUTH AFRICA

The South Africa Social Security Committee appointed in January 1943 included in its recommendations for social security, family allowances for large families. This report was given to Parliament during the 1944 session, and the House of Assembly appointed a select committee to consider the recommendations. In turn the select committee recommended that a modified social-insurance scheme should be prepared for introduction at the 1945 session of Parliament.¹⁴ Accordingly an interdepartmental committee was appointed for this purpose, but no information is available as to whether these proposals have yet been submitted to Parliament.

* For additional data on Great Britain, Australia, Canada, and New Zealand, see appendix, p. 21.

¹³ International Labor Review (Montreal), September 1944 (p. 384).

¹⁴ Outline of Postwar Reconstruction (Union of South Africa, Pretoria, 1944).

Continental Europe

BELGIUM ¹⁵

Under the Belgian social-security legislation of December 28, 1944, a national office was established in the Ministry of Labor and Social Welfare to collect and allocate contributions payable under this measure by employers and workers for various purposes, among them increased rates of family allowances.

An order of December 29, 1944, raised the monthly rates from January 1, 1945, to 115 francs each for the first and second child, 160 francs for the third child, 210 francs for the fourth, and 300 francs for the fifth and subsequent children.¹⁶

For orphans the above rates are doubled. A worker's right to family allowances continues when he is sick or injured in an accident for which he is entitled to a pension, provided his degree of incapacity is not less than 66 percent. Should the worker's death be the result of an industrial accident or an occupational disease, his children are eligible for family allowances for the period designated in the Family Allowances Act of August 4, 1930. When a child is born for whom a family allowance is payable under that law, the fund must grant 1,000 francs for the first child and 500 francs for each succeeding child.

The order of December 29, 1944, instituted substantial changes in earlier legislation, especially in permitting recognized independent funds and special funds to call upon their members for an additional contribution in order to secure "certain family benefits other than supplementary family allowances." The new order also simplifies the administration of the family-allowance system and eliminates some inequalities that in the past have been the subject of criticism.

CZECHOSLOVAKIA

The Czechoslovak Government has recognized that the liberation of the country affords an opportunity to reorganize the whole scheme of social insurance, which at present includes no provision for children's allowances. At the Government's request, Prof. Emil Schoenbaum, actuarial adviser of the International Labor Office, prepared a program for "the reconstruction of social insurance in Czechoslovakia," which contains the following paragraph concerning children's allowances.

"Use can be made of the organisation of territorial institutions (district insurance institutions) as pay offices for the proposed grants to large families, consisting of allowances for each child except the first, the first two, etc. This scheme could be financed either directly by the State, or with the participation of employers and employees, depending on the financial situation. It should be put into force only after the completion of thorough administrative and financial preparation."¹⁷

DENMARK ¹⁸

Following wage increases that were accorded to workers in Denmark in August 1944, a voluntary agreement was reached in regard to

¹⁵ Data are from International Labor Review (Montreal), April 1945 (p. 527); and Great Britain, Ministry of Labor Gazette, (London), March 1945 (p. 47).

¹⁶ Exchange rate of Belgian franc, set September 1944=2.28 cents.

¹⁷ International Labor Review (Montreal), February 1945.

¹⁸ Data are from report (No. L1) by Richard A. Forsyth, labor attaché, and M. Holmgren, United States Legation, Copenhagen, July 1, 1945; and airgram from Stockholm, November 13, 1944.

salary advances for civil servants, effective November 1, 1944. Under the agreement, unmarried State employees receive a cost-of-living allowance of 80 kroner additional, per annum; for married employees, 40 kroner extra are added, raising their allowance to 120 kroner.¹⁹ About 70,000 State employees are covered by this agreement, which costs the Government 7,000,000 kroner a year.

Similar cost-of-living allowances are paid to 25,000 municipal employees in Copenhagen, at an annual cost to that city of approximately 2,500,000 kroner. These supplements were likewise effective from November 1, 1944.

On May 9, 1945, at the opening of the first postliberation parliamentary session, the Social Democratic Prime Minister submitted the Government's program. That program among other matters relative to the social and labor conditions in Denmark, set forth the following policy: "Until wages match the real wage level as it was before the war the present rebate system for people of small means will be maintained with particular regard to big families." Under the rebate system mentioned, it is reported, in the fiscal year 1942-43, the sum of 67 million kroner was disbursed to consumers in direct foodstuff rebates, and 22 million kroner in the form of clothing rebate coupons.

FRANCE ²⁰

On October 3, 1944, the Minister of Labor and Social Security issued a circular requesting the chairmen of the family-allowance equalization funds to admit to the benefits of such funds the family heads who had refused to perform compulsory labor for the Germans and consequently had received no allowances for some time. The funds were to be reimbursed, for any sums so paid, by the Central Committee for Family Allowances from a special fund constituted from contributions by German enterprises.

After the general increases in French wages in the fall of 1944, an order was issued on October 17 of that year which appreciably bettered the living conditions of families of wage earners. This order, effective (beginning September 1, 1944) for 6 months (but later extended to December 31, 1945), provided not only for larger family allowances but also for increases in the birth bonus for the first child and in "single-wage allowances." The increase in family allowances amounted to 80 percent for families having 2 or 3 children and to 50 percent for families having more than 3. Table 2 shows benefits under the old and amended plan in the Department of the Seine.

On January 6, 1945, an order, effective February 1, was promulgated by the Provisional Government of France, which reorganized salaries of officials of the Government and civil and military pensions. According to a communiqué issued on December 30, 1944, this reform included—

(1) The fixing of a basic salary for all officials, with a minimum of 36,000 francs ²¹ a year; (2) the reintroduction of a progressive salary

¹⁹ In August 1945, the buying rate of the krone in Denmark was quoted as 20.79 cents, the selling rate as 20.8 cents.

²⁰ Data are from *International Labor Review* (Montreal), May 1945 (p. 609); *Journal Officiel* (Paris), November 30, 1944 (p. 1537); *Canadian Trades and Labor Congress Journal* (Montreal), May 5, 1945 (p. 41); *World Economics* (Washington, D. C.), March-June 1945; and *Free France* (French Press and Information Service, New York), January 15 and May 15, 1945.

²¹ The "invasion" exchange rate of the franc was quoted in June 1944 as 2 cents; on October 10, 1945, the exchange rate was quoted as 2.018 cents.

scale for different grades, the maximum annual salary for certain high officials being fixed at 450,000 francs; (3) the abolition of subsidiary allowances; (4) compulsory savings for all officials whose gross remuneration exceeds 100,000 francs; (5) increased benefits for officials with family responsibilities; (6) a revision of all posts created since 16 June 1940 and the introduction of measures to increase efficiency.

TABLE 2.—*Family Allowances in the Department of the Seine, France, Effective September 1, 1944*

Size of family	Amount of allowance		Size of family	Amount of allowance	
	Old scheme	Effective Sept. 1, 1944 ¹		Old scheme	Effective Sept. 1, 1944
Family allowances to families with—	<i>Francs</i> ²	<i>Francs</i> ²	Family allowances and single wage allowances ¹ to families with—	<i>Francs</i> ²	<i>Francs</i> ²
2 children.....	225.00	405.00	1 child.....	450.00	675.00
3 children.....	675.00	1,215.00	2 children.....	787.50	1,248.75
4 children.....	1,350.00	2,025.00	3 children.....	1,350.00	2,227.50
5 children.....	2,025.00	3,038.00	4 children.....	2,025.00	3,038.00
6 children.....	2,700.00	4,050.00	5 children.....	2,700.00	4,050.00
			6 children.....	3,375.00	5,062.00

¹ The "single-wage allowance" is payable to families of wage earners and public officials who receive income from one source of employment only.

² Exchange rate of French franc in November 1944 was quoted as 2 cents.

As an outcome of many representations by the French Seamen's Union, allotment notes and family allowances, which under the Vichy regime had been discontinued for the families of seamen working for the Allies, have been resumed. As the decision is retroactive, those who were excluded from any allotment or allowance in the 1940-44 period are entitled to receive the full arrears. Pending final settlement, lump sums of 3,000 francs for the wife or each parent, and 1,000 francs for each child dependent on the seamen, were paid.

Population problems.—At present 6 million of the 40 million inhabitants of France are elderly people. "If France is to live, if she is to enter upon a bold and progressive program of military, social, and economic development, she must necessarily have a more youthful population, and she can if society welcomes children and if the State supports the family." This declaration was made in the May 15, 1945, issue of Free France. The same publication reported the establishment of a Secretary-Generalship for Families and Population, in the Ministry of Public Health; an Advisory Committee on Families and Population connected with the Office of the Premier; and an Inter-Ministerial Committee on Families and Population. A population institute, it was stated, would be founded in the near future. A vigorous campaign will be carried on to reduce the high death rate, combat disease and alcoholism, and organize social security and health instruction and improve child care. Existing privileges for families with children will be increased; among these the system of family allowances is listed.

The "cardinal importance" of population growth in France was stressed in the March-June 1945 issue of *World Economics* as follows:

The French birth rate has been steadily declining. During the German occupation it fell further, from 650,000 to 400,000 a year. While a falling birth rate is a general trend in Western Europe, the density of the French population does not compare favorably with that of other countries of Europe. French patriots will not easily forget what happened to the 40 million French population when confronted practically alone with 80 million Germans. More and more encouragement will be given to large families. Family allowances, which were ridiculously low in prewar France, will become a steadily growing component of the family income. Wages and salaries will evolve more and more from an individualistic to a family basis.

ITALY ²³

In 1944, two legislative decrees were issued in Italy on family allowances. No. 303, of November 2, granted a cost-of-living allowance of 5 lire a day ²³ for each dependent of all workers entitled to family allowances except agricultural workers. However, in accordance with the same decree, all workers in the latter group were granted a flat increase of 10 lire.

Decree No. 307, of November 9, provided a more substantial increase in benefits, and also removed some of the inequalities included in the Fascist laws on family allowances. The average allowance per child is computed under the previous law and is raised by 50 percent. As a consequence, the total increase for small families is somewhat over 50 percent and for large families somewhat less than 50 percent. The decree raised to 3,000 lire per month per worker the amount upon which family-allowance fund assessments might be computed, and the Government agreed, under this measure, to meet any deficit in the fund up to 350 million lire, as a result of higher payments. Grants are to be made for parents and grandparents only when they live with the worker. Formerly, banking and insurance and agricultural workers were not eligible for benefits for grandparents, and industrial and banking and insurance workers were entitled to benefits for parents who did not reside with them.

Five other decrees had not yet become law. These, respectively, provide for a representation of labor and management on the Special Committee on Family Allowances, broaden the salary bases for computing assessments for the Family Allowance Fund, provide for future limitation, by decree, of the types of remuneration on which such assessments may be computed, increase to 3,600 lire the maximum amount of monthly remuneration per worker subject to assessment, and provide for a cost-of-living bonus of 104 lire a month to industrial workers and to clerical workers in agriculture, and a bonus of 95 lire to workers in other sectors. Under this last-mentioned decree, "each worker will receive his own cost-of-living bonus directly from the employer, while the bonus for his dependents will be paid along with his family-allowance allotment. The decree is effective as of March 1, 1945, and pending its publication instructions have been given the Istituto Nazionale Previdenza Sociale to pay advances to workers."

²³ Data are from report from John Clarke Adams, labor attaché at United States Embassy at Rome. June 25, 1945 (No. 107).

²⁴ The Allied Military Government established, in July 1943, for the liberated portion of Italy, an exchange rate of 1 lire for 1 cent.

The following table, gives the amounts payable in family allowances and cost-of-living bonuses.

TABLE 3.—*Ordinary Family Allowances and Cost-of-Living Supplements in Italy, March 1945*¹

Item	For each child		For the wife		For each parent	
	Family allowance	Cost-of-living bonus	Family allowance	Cost-of-living bonus	Family allowance	Cost-of-living bonus
Industry (weekly allowance): ²	<i>Lire</i>	<i>Lire</i>	<i>Lire</i>	<i>Lire</i>	<i>Lire</i>	<i>Lire</i>
Manual workers.....	24}	50	30}	50	15}	50
Clerical workers.....	36}		42}		24}	
Agriculture (daily allowance): ³						
Clerical workers.....	1	9	1.45	5	0.80	9
Others.....	6		7.		4.	
Commerce, arts, and professions (monthly allowance): ⁴						
Manual workers.....	96}	215	108}	215	60}	215
Clerical workers.....	144}		156}		84}	

¹ According to legislative decree of the Lieutenant General, Nov. 9, 1944 (No. 307), with corrections made according to draft of decree described as No. 5, in report No. 107 (see p. 12).

² Assessments (paid by employer)—amount: 20 percent on first 3,600 lire of gross monthly salary.

³ Assessments (paid by employer)—amount: 20 percent of first 3,600 lire of gross monthly salary (other than clerical workers).

⁴ Assessments (paid by employer)—amount: 14.8 percent of first 3,600 lire of gross monthly salary.

NORWAY²⁴

Under a Royal Resolution of July 20, 1945, a wage supplement from Norwegian public funds may be granted those who are not usually employed in agriculture, but who are so employed during the existing manpower shortage. This wage supplement is 1 krone²⁵ per working day, plus 1 krone per dependent (*pårørende*) up to a maximum of 5 kroner a day.

RUMANIA

According to a decision of the Rumanian Office of Price Administration employees and laborers of private industrial, commercial, and transportation enterprises from July 1, 1944, "are entitled to a family bonus in addition to their salaries." State employees and laborers are not included in this provision, as their status and salaries are regulated by a special code.

Under the decree, laborers are entitled to a bonus of 1,000 lei²⁶ per month, or 40 lei per shift, for each child under 14 years. For children who are not able to work or children attending school (except apprentices) the allowances may be paid up to 16 years of age. For office workers in private enterprises the allowance is 1,000 lei for each son or daughter under 21 years, as long as such child receives no salary. If both parents are employed, the allowance based on their family responsibility is granted to only one of them.

In cases in which family allowances are being paid at a rate higher than that here provided, no reduction is to be made.

The allowance may be paid in kind—that is, in food or clothing—if the workers agree to such procedure.

Enforcement of the regulations is vested in the Control Officers of the Office of Price Administration.

²⁴ Ukens Nytt fra Norge (Royal Norwegian Information Service, Washington), August 9, 1945 (p. 227).

²⁵ Exchange rate of krone in May 1945 was quoted as 20.175 cents.

²⁶ Official exchange rate of lei, April 1, 1941, to April 1945, was a little over one-half cent.

SOVIET UNION

On July 8, 1944, a decree promulgated by the Presidium of the Supreme Soviet of the U. S. S. R. provided for an increase of Government assistance to pregnant women, mothers of large families, and unmarried mothers; better protection for mothers and children; and institution of the honorary title "Mother Heroine," and of the Order of Glory of Motherhood, and the Motherhood Medal.²⁷ In the 12 months following the issuance of this decree, People's Commissar of Health Protection of the U. S. S. R. Miterev reports: ²⁷ "One and a half billion rubles ²⁸ in State allowances were paid to hundreds of thousands of mothers. In this period tens of thousands of mothers were decorated with the orders and medals created by the decree. The honorary title of 'Mother Heroine' was conferred on hundreds of women."

SPAIN

In a report giving social-insurance statistics for Spain, published in the International Labor Review (Montreal), July 1944, the following statements are made:

The largest benefit expenditure has been incurred in respect of family allowances, which in 1942 accounted for 378 million pesetas,²⁹ including widows' pensions, marriage loans, and birth bonuses.

In 1942 the number of workers insured for family allowances, excluding public officials, was 2,409,526 and the number of families receiving these allowances was 1,127,774. The family-allowance system recently increased the rate of its allowances, with the result that in 1944 it is expected that the expenditure will rise to 776,110,000 pesetas; part of this increase, however, will be due to a more intensive application of the system to agriculture.

SWEDEN ³⁰

The Swedish Postwar Economic Planning Commission, headed by Prof. Gunnar Myrdal, submitted to the Government a proposal for reducing unemployment during depressions by subsidizing sales of durable consumer goods such as clothes and household equipment. In addition, it was urged, such a plan would operate to meet a need, otherwise not satisfied, on the part of large families and families in which the mother is the only provider. It was estimated that 64,000,-000 kronor (about \$16,000,000) a year would be required to finance such subsidized production. The Conservative representatives of the commission dissented from the above proposal of the majority.

Another proposal aimed at equalizing the economic conditions of large and small families is that a children's allowance scheme (*barnbidrag*) be established covering all children regardless of the income of their parents, it being argued that the fixing of a maximum income would discredit the provision as "poor relief." Such a scheme would largely replace existing legal provisions favoring large families. In May 1945 two measures on this subject were rejected by the Swedish Parliament, which decided to wait for the report of the Population Commission before taking any action.

²⁷ Information Bulletin of Embassy of Union of Soviet Socialist Republics (Washington, D. C.), July 26, 1945.

²⁸ Exchange rate of ruble was quoted in April 1945 as 18.87 cents.

²⁹ Exchange rate of gold peseta was quoted in December 1942 as 32.67 cents, of paper peseta as 9.133 cents.

³⁰ Data are from report No. 5772 from office of labor attaché, United States Embassy, Stockholm, June 30, 1945; and Foreign Commerce Weekly (U. S. Bureau of Foreign and Domestic Commerce, Washington), March 31, 1945.

SWITZERLAND ³²

At the close of December 1944, the purchasing power of the average Swiss worker was only 92.4 percent of what it was just before the outbreak of the war. This gap between earnings and prices, although not nearly so wide as in various other European countries, created much dissatisfaction among the workers. The Federal Counselor heading the Department of Public Economy promised remedial action.

An interim expedient proposed was the institution of family-allowance funds. Such funds had been established as an emergency measure during World War I, but had been discontinued; only one Cantonal fund was in operation in 1939. However, in the period 1941-44, compensation funds for family allowances were again organized, and on a more comprehensive scale.

Three Cantons, Vaud, Geneva, and Fribourg, have passed laws making compulsory the provision of family allowances. The Vaud act was passed in May 1943, the Geneva act in February 1944, and the Fribourg act in February 1945.

Under the Vaud law, which covered over 90 funds in 1944, every employer affiliated with the general fund must pay each month (a) an amount not exceeding 2½ percent of the total wages paid in cash or in kind to its employees working in the Canton, (b) a contribution toward expenses of administering the fund, and (c) a contribution toward a reserve fund, but (b) and (c) must not exceed one-half of 1 percent of the employer's total pay roll. Swiss employees of these affiliates of the general fund become eligible at the birth of the second child to a grant of 10 francs ³³ a month for each legitimate or illegitimate child under 16 years of age; the first child is also included if the parents have been residents of the Canton for at least 10 years. The allowances are paid regardless of the parents' income. An allocatee must be "the father or mother of a family, married, divorced, or widowed, having the legal responsibility and actual charge of the children."

The Geneva act includes wage earners, manual workers, and office employees who have lived at least 2 years in the Canton. A monthly allowance of at least 15 francs is paid for each child under 18 years of age and in specified circumstances up to 20 years of age. These grants are made through family-allowance funds.

Under the Fribourg act the provisions are similar, but the allowance is not so large. As of June 1, 1945, the Fribourg Fund had 95 affiliates and had granted allowances to 1,365 children. One of the special funds established under the Fribourg act was organized by peasants and is adapted to agricultural conditions.

Although in theory all of the family-allowance funds are temporary means adopted to meet an emergency, there is in fact in the Cantons an apparent trend towards the strengthening of the family-allowance provisions, as indicated by the compulsory features of the Vaud and Fribourg laws. The Vaud measure has been amended several times for the purpose of providing more definite administrative procedures and clearing up debatable points. Moreover, a tendency is discernible toward the liberalizing of regulations concerning persons and conditions covered, the amounts of allowances, and more efficient

³² Data are from reports from Dorothy M. Sells, labor attaché, United States Legation, Bern, June 19 and September 22, 1945.

³³ Exchange rate of Swiss franc on May 1, 1943 = 29.1 cents.

reorganization of Cantonal systems. Recently, for example, the Canton of Vaud reached a decision to supplement the regular family allowance by a bonus of 45 francs for each birth in the family, and also to grant allowances to families with only one child.

Latin America ³⁴

ARGENTINA

Regulation of the payment of family allowances to railway men in the Argentine Republic was provided for by a decree of July 3, 1944, retroactive to January 1, 1944. Approximately 150,000 wage earners and salaried employees were affected.

Family allowances are granted by this decree to railwaymen who have in their charge legitimate, legitimated, or illegitimate children under 16 years of age, or under 18 years of age if they are attending industrial or special schools, and without age limit if they are disabled, and to railwaymen who have permanently in their charge orphans or abandoned children under the same conditions. In order to obtain a family allowance, the wage or salary of the person concerned must not exceed 300 pesos a month.³⁵

A "common fund" was to be formed, supported mainly from the proceeds of a 2-percent tax on railroad fares and from fines imposed under the regulations. The Railwaymen's Pension Fund Section administers this common fund and determines, every 6 months, the rate of the allowances, the scale being based upon the available resources. No figures on the amounts paid per child are available. Allowances are to be paid monthly, along with the wage or salary of the worker.

BOLIVIA

A recent decree provided for family subsidies in Bolivian banks. However, up to June 1945, no regulations had been issued for its enforcement and the decree was said to be so loosely drafted that uniformity of application was difficult. One bank was reported to be paying for all children under 19 years of age, another only for children of school age, and another was paying no allowances at all.

BRAZIL

In 1944 in Brazil, children's allowances were reported as being paid to an increasing number of beneficiaries.

CHILE

Family allowances of 600 pesos ³⁶ per month (more in certain Provinces) for each dependent were established in Chile under decree No. 2500 of June 24, 1944.

COLOMBIA

In the Colombian labor law passed in February 1945 family responsibilities were listed as one of the approved bases for differences in wages of "workers doing equivalent work for the same employer"; other bases listed were those "of individual ability, of seniority or experience * * *, or of output."

³⁴ Data are from International Labor Review (Montreal), June 1945 (pp. 706, 792, 793); Bulletin of the Pan American Union (Washington, D. C.) July 1945 (425 p.); and certain confidential sources.

³⁵ A average exchange rate of peso in 1944=29.7 cents.

³⁶ A average exchange rate of Chilean peso=in 1944, special=5 cents, free=3 cents.

URUGUAY

Regulations for the operation of family-allowance equalization funds in Uruguay, which had been provided or under Act No. 10449 of November 12, 1943, were issued in a decree of May 17, 1944.

*United States*³⁷

Payment of family allowances in cash to employed civilian workers in the United States is confined mainly to teachers in certain public-school systems. However, aid from Federal, State, and local funds to dependent children deprived of parental support, which is a rather close approach to family allowances, totaled over \$135,000,000 in the 12 months ending December 31, 1944. Federal Government disbursements from July 1, 1942, to April 30, 1945, inclusive, for allowances for dependents of Army, Navy, and Coast Guard personnel, aggregated \$7,063,138,895; of that amount, \$2,599,590,939 was contributed by the members of the armed forces themselves. A subsidy of 50 million dollars for school lunches, included in the appropriation act for the U. S. Department of Agriculture for the current fiscal year, might be considered as family allowances in kind.

In some foreign countries, tax exemptions for dependents are being correlated with family-allowance legislative provisions. In fact, such exemptions might be considered indirect family allowances, although the family incomes in the lowest brackets are frequently too low to be subject to tax or, if so subject, too low to involve exemptions for all the children in large families. Credits for dependents in the United States for 1942 including taxable and nontaxable returns, totaled at least \$10,463,321,000 (preliminary report).³⁸ However, only the taxes which did not have to be paid on this amount can be considered as indirect allowances for the maintenance of dependents.

FAMILY ALLOWANCES IN PUBLIC-SCHOOL SYSTEMS

In 1944-45 at least 16 cities with a population of over 30,000 were paying family allowances or married men's differentials in their public-school systems, as shown in the following table based on an analysis made early in 1945 by the Research Division of the National Education Association. Of these cities, 5 reported family-allowance provisions and 11 reported married men's differentials. The median for the maximum differentials in the 14 cities reporting definite figures was \$300. Table 4 lists the cities which have included the family allowances or married men's differentials in the years 1940-41 and 1944-45.

In three cities—Rock Island, Dubuque, and Superior—the family allowance is payable to either women or men teachers, but in Rock Island and Dubuque it is restricted to those with dependent children; in Superior the allowance is payable, as well, for a dependent husband or wife.

³⁷ Data are from Pub. No. 52 (ch. 109), S. 717, S. 837, and S. 1151 (all of 79th Cong., 1st sess.); Statistics of Income for 1942, Pt. 1 (U. S. Bureau of Internal Revenue, 1944); Source of Funds Expended for Public Assistance, 1944 (U. S. Social Security Board, Bureau of Public Assistance); Family Allowance and Class E Allotment of Pay Expenditures, as of April 30, 1945 (U. S. War Department, Office of Dependency Benefits); and unpublished data supplied to the Bureau of Labor Statistics by the U. S. Navy Department, Bureau of Supplies and Accounts, and by the National Education Association.

³⁸ Furthermore, in 1942 an exemption of \$1,200 was allowed an unmarried person such as a widow who maintained a household for herself and a dependent. This exemption was included under "personal exemptions" for taxpayers and their spouses and not under "credit for dependents."

TABLE 4.—*Cities in the United States With Over 30,000 Population, Reporting Family Allowances or Married Men's Differentials,¹ 1940-41 and 1944-45*

State and city	Class of provision	Amount of allowance	
		1944-45	1940-41
Illinois:			
Bloomington.....	Married men's differential.....	\$200	(?)
Elgin.....	do.....	(?)	\$500
Peoria.....	do.....	300	(?)
Quincy.....	Family allowances.....	300	(?)
Rock Island.....	do.....	500	500
Iowa:			
Cedar Rapids.....	Married men's differential.....	(?)	(?)
Council Bluffs.....	do.....	(?)	(?)
Dubuque.....	Family allowances.....	(?)	(?)
Massachusetts:			
Brookton.....	Married men's differential.....	400	(?)
Springfield.....	Family allowances.....	200	200
Michigan: Dearborn.....	Married men's differential.....	100	100
Mississippi: Jackson.....	do.....	(?)	(?)
Missouri:			
Joplin.....	do.....	120	100
St. Joseph.....	do.....	(?)	(?)
Oklahoma: Muskogee.....	do.....	100	100
South Dakota: Sioux Falls.....	do.....	400	(?)
Wisconsin:			
Green Bay.....	do.....	(?)	300
La Crosse.....	do.....	300	(?)
Oshkosh.....	do.....	300	400
Racine.....	do.....	300	500
Sheboygan.....	do.....	(?)	300
Superior.....	Family allowances.....	200	200

¹ The amounts recorded indicate the maximum differentials between the salaries of married men teachers and women teachers or between persons with dependents and persons without dependents.

² No provision.

³ No data.

⁴ At minimum salary only.

⁵ No limit set for family allowance.

⁶ No schedule.

⁷ 40 percent above schedule.

⁸ No schedule for men.

The percentages which these differentials add to the maximum salary of a teacher with a master's degree were found to range from 3.8 to 23.8. A distribution of these percentages for 14 cities is given below:

	Number of cities
Less than 5.0 percent.....	1
5.0-9.9 percent.....	5
10.0-14.9 percent.....	5
15.0-19.9 percent.....	1
20.0-24.9 percent.....	2

In Quincy, Ill., and in Springfield, Mass., only married men are eligible for family allowances.

In 1940-41, there were approximately 60 cities with a population of less than 30,000 providing annual supplements to public-school teachers for family responsibilities. A preliminary inspection of the 1944-45 public-school salary schedules for cities in the same population group indicated that at least as large a proportion of these schedules included provisions for such allowances.

LEGISLATIVE PROPOSALS

Student aid.—The extension of family allowances beyond specified age limits when children continue their education is a conspicuous feature of various foreign family-allowance schemes. A bill (S. 717)

introduced in the United States Senate on March 8, 1945 (the Federal Aid to Education bill) would provide for disbursements by State authorities or by trustees (thus to cover both public- and nonpublic-school youth) to enable and assist students to continue their education. The sum of \$150,000,000 would be appropriated for assistance—

1. To persons 16 and under 21 years of age attending a public or nonpublic school or a training center which complies with standards prescribed by act of August 16, 1937 (50 Stat. 664—the act placing in Department of Labor power to promote standards for apprentices).

2. To parents of needy persons 14 and under 16 attending such schools or such training centers.

The benefits would include scholarships, stipends, or compensation for work done for public or nonprofit agencies. Disbursements made under the plan would be applicable under similar conditions to all persons qualifying in the age group, “without discrimination on account of race or creed.”

Lump-sum family allowances.—Bill S. 837, introduced on April 6, 1945, would provide for what might be termed “lump-sum” family allowances. The bill reads in part as follows:

* * * the Chief of the Children’s Bureau is hereby authorized and directed to pay to the parents of each child born in the United States after the date of enactment of this act the sum of (a) \$500 if such parents are the parents of one other child, (b) \$750 if such parents are the parents of two other children, and (c) \$1,000 if such parents are the parents of three or more other children.

Food allotments.—S. 1151 (the Aiken-La Follette National Food Allotment bill) introduced June 15, 1945, might be considered to provide for indirect allowances in kind. The purpose of the measure is to insure the efficient distribution of available food supplies among the people at various income levels and “that the means for obtaining sufficient food for an adequate diet be placed so far as possible within the reach of every person in the Nation.” “Basic food allotment,” according to the bill, means the specified “amounts of food per person per week or the equivalent thereof in nutritional value and approximate cost as determined by the Secretary of Agriculture.” The advantages that would accrue to large families are obvious, as the plan would be adapted to households of differing incomes and composition.

International

DECLARATION OF WORLD TRADE-UNION CONFERENCE COMMITTEE

At the World Trades Union Conference held in London, February 6–17, 1945, a declaration was made by the Committee on Postwar Reconstruction and Immediate Trade Union Demands, which included a statement on family allowances. The paragraph on social security is quoted in full in order to show the setting of family allowances in the recommended social-security program:

14. Social security is another essential foundation stone of every society. However well national economies may be organized there will always be some men and women who are unable to work. It is therefore essential that a single and comprehensive system of State social insurance should be established in every country and financed mainly by contributions from governments and employers. This system of social insurance must guarantee a normal existence for all working people whenever they are unable to secure this by their own labor, as a result of unemployment, temporary or permanent loss of the capacity for work, old age, industrial accident, sickness, and the like. Provision should also be made for

comprehensive medical and rehabilitation services free for all who need them. The health and safety of workpeople must be properly safeguarded by legislation which also provides for adequate supervision to secure its enforcement. Preventative measures must be undertaken by the government to diminish sickness and fatal accidents to a minimum. Governments should provide sanatoria and rest homes for workers without charge. They should provide adequate grants paid periodically to families who have lost their breadwinners and to orphans until their coming of age. The welfare of children must be one of the primary concerns of all governments and therefore protected by the payment of family allowances and by the provision of kindergartens, nurseries, and ample child welfare facilities. Finally, this Conference emphatically demands that there should be trade-union participation in the control and management of all such social insurance and social welfare schemes.³⁹

The committee making the declaration included representatives of labor organizations in Great Britain, Soviet Russia, the United States, France, China, New Zealand, Latin America, and the British Crown Colonies, the chairman being a delegate from the Congress of Industrial Organizations.

APPENDIX.—*Family-Allowance Acts in British Empire*

The principal features of the family-allowance acts of New Zealand, Australia, Canada, and Great Britain are contrasted in the accompanying tabular analysis.

³⁹ Report of the World Trade Union Congress, February 6 to 17, 1945, convened by the British Trades Union Conference. London, S. W. 1, 1945.

Major Provisions of Family-Allowance Acts in British Empire¹

Country, title of act, and date of amendments	Provisions of laws re—					Remarks
	Income limit or tax exemptions	Number and age of children	Rate of allowance per child	To whom benefit is paid	How scheme is financed	
NEW ZEALAND¹ Social Security Act, 1938 (includes family allowance provisions); amendments: 1940, 1941, 1942, 1943, and 1944.	No allowance paid when income exceeds £5 10s., exclusive of allowances.	With certain exceptions, each child, including step-children and adopted children, under 16 (up to 18 years if still at school).	10s. per week.....	Mother. To father, if considered advisable (in special cases to representative).	From Social Security Fund.	Allowances to aid in education of child 16 to 18 may be granted even if child has not previously been beneficiary under act.
AUSTRALIA² Child Endowment Act, 1941; amendments: 1942 and 1945.	No income limit. No income tax credit for children except first. Allowance not considered part of gross income for income tax purposes.	With certain exceptions, each child (except first) under 16, alien children eligible from time parents are naturalized.	7s. 6d. per week.....	Mother, widower, or guardian.	From Consolidated revenue, principally from pay-roll tax; in part by elimination of income-tax credits for children after first child.	Commonwealth employees had been receiving allowances from 1920. New South Wales had had a State child-endowment scheme for about 14 years.
CANADA³ Family Allowances Act, 1944.	Deductions allowable for dependent children under Income War Tax but must be adjusted with children's allowances to avoid duplication.	Each wholly or substantially dependent child under 16.	\$5-\$8 per month for first 4 children, according to age. For fifth child, rate reduced by \$1, for sixth and for seventh child, by \$2; for subsequent children by \$3 each.	Parent or other person authorized by act. (It has been administratively decided that the allowance shall be paid to the mother or female person taking her place.)	From unappropriated moneys in Consolidated Revenue Fund from July 1, 1945, and reimbursement through adjustment of income-tax exemption for children with family allowances.	Allowance not paid for a child who after attaining 6 years of age fails to attend school or receive equivalent education.
GREAT BRITAIN⁴ Family Allowances Act, 1945.	Allowances considered taxable income, but income-tax exemption of £50 per child to be continued.	Each child (except first) under 16.	5s. per week.....	Either man or wife.....	Appropriations by Parliament.	Child is eligible for allowance up to August 1 following sixteenth birthday if attending full-time school or apprenticed.

¹ International Labor Office, Legislative Series, 1938—New Zealand 1, Social Security Act (repealed Family Allowance Act of 1926); Legislative Series, 1942—New Zealand 1, Social Security Acts (text includes formal amendments made by Acts of 1940 and 1941); Legislative Series, 1943—New Zealand 1. New Zealand Legation, Washington, D. C., [telephone] statement, September 6, 1945.

² Legislative Series, 1942—Australia 4, Commonwealth Child Endowment Act (amended Child Endowment Act of 1941); United States Legation, Canberra, Australia, Report of August 23, 1945, by Alfred G. Whitney, economic analyst.

³ Legislative Series, 1944—Canada 3, Family Allowances Act.
⁴ Great Britain, Family Allowances Act, 1945.