

OUR CAPITAL CORRESPONDENT

Written expressly for The Stouffville Tribune by Dean Wilson

Following in the wake of the end of hostilities in Europe, it is expected in well-informed quarters on Parliament Hill, that some wartime conditions may be changed in tune with the new circumstances but others may be forthcoming in different directions. Thus, it is indicated that for sometime it has been known in Ottawa that the Canadian Army's demobilization programme of "first-in-first-out" would most likely be applied to home defence personnel in the same way as it did to general servicemen. Then again, preparations in fitting Canadian ships, detailed for duty in tropical waters, to have living conditions equal in comfort to ships of the Royal Navy or the United States Navy are a sharp reminder of the part to be played by Canada in the war against Japan, though it is said that some Australians are resentful about Canada's attitude in the Pacific war since Premier King's announcement that only volunteers would be used by this country in this theatre of war. In other words the end of hostilities in Europe would bring certain changes in wartime conditions but there will be others in different directions, with the two aforementioned instances stressing in Ottawa the fact that the relaxation of one may be balanced by strengthening

of the effort in the other.

Prior to the Victory Loan campaign it had been held in Ottawa that political campaigns over the air would have to await the end of the Loan Drive on May 12, so that it has caused considerable surprise that such political broadcasts have been allowed to go on the air before the conclusion of the Victory Loan. However, information in the capital has revealed that there was no particular reason for this change of plans except that it had been found by the authorities that it was impossible to await the close of the Loan drive before such political talks commenced if the allotted time was to be spaced advantageously. After a meeting between the officials of the Canadian Broadcasting Corporation and party representatives in Ottawa, there was an agreement about the allotment of free time among the political parties on the Canadian networks during the forthcoming Dominion and Ontario elections in accord with the "white paper" issued some months ago by the C.B.C. at that time it was said that in order that a political party shall have free time for broadcasts in a Federal campaign, the party must have 61 or more candidates in the field in at least three provinces across this country and it must have a national policy. Therefore, on this basis, 14 1/2 hours of free time has been allowed on the national networks for this purpose, with the Liberals getting 5 1/2 hours, Progressive-Conservatives

3 1/2 hours, C.C.F. 3 1/2 hours, and Social Credit as well as Labor-Progressives one hour each with these political broadcasts starting on May 4 instead of after the Victory Loan campaign had ended for the real reason mentioned previously here.

There has been a startling flood of requests in Canada's capital and this has caused much comment backstage along Parliament Hill. The Canadian Congress of Labor, a most powerful and influential organization, has put into the hands of the Federal Cabinet a brief calling for certain changes in labor regulations, war control over wages, in the personnel of the National War Labor Board, Federal assistance to the Provinces on education, immigration policies for the future, etc. The Canadian Legion in Ottawa has been very emphatic about the Government's provisions for housing, especially for war veterans and their dependents, demanding immediate action. War controls seem to be unnecessary in some directions due to the change of war fortune in the eyes of many Canadians who have not been backward about their views in this, though any drastic or whole sale changes in such controls will not come suddenly at this time according to the best information available along Parliament Hill at this time, particularly when it is reported that in some respects supplies are worse now than ever before, such as some foods, rubber tires, coal, lumber, etc. Finally, there are many who would

like to see the famous "Baby Bonus" measure deferred for a little time to allow further inquiry since it is feared by these people, that this scheme of paying practically subsidies to certain families at the expense of others or the whole population may prove ultimately to be an extremely heavy drain on the national treasury in peacetime when financial questions must be answered and expenditures must be curbed in a more limited nature than in abnormal times. These and other requests reaching Parliament Hill lately have provoked much comment behind the scene in the capital in the midst of the discussions about coming peace, elections and so forth.

It may appear as a perfectly "innocent" item but it might be mentioned that, in the experience of this veteran observer, the refusal of the Prime Minister to accept the demand of Dr. Arthur Beauséne to retire from his post as Clerk of Canada's House of Commons has a hint of the belief that the new Parliament to be elected after the 11th of June may contain numerous political groups and new members. In other words, Dr. Beauséne has been recognized by all as Canada's outstanding expert on parliamentary procedure which he has handled as an authority since 1925 so that Premier King's refusal to accept his wish to retire until after the first session of the next Parliament contains a suggestion that there may be much confusion in the next Parliament in the number of political parties or groups

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Children's Matinee Sat. 5c Regular admission 20c and 35c

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RAY MILLAND in "MINISTRY OF FEAR" with MARJORIE REYNOLDS and CARL ESMOND. Directed by Fritz Lang



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WEDNESDAY and THURSDAY — MAY 16 and 17



Directed by HENRY KOSTER Produced by JOE PASTERNAK

FAMILY ALLOWANCES AND INCOME TAX

THE following announcement will help to clarify the relationship between Family Allowances and Income Tax credits for dependent children. Family Allowances are payable from July 1st, 1945, and the registration of children is now taking place.

The Family Allowances Act was designed to help equalize opportunities for all children, and when the Act was passed, Parliament approved the principle that there should be no duplication of benefits by way of Family Allowances and Income Tax credits for the same child. An amendment to the Income War Tax Act will be made to deal with this duplication. In the meantime, however, the Govern-

ment proposes, for the last six months of 1945 during which Family Allowances are payable, to remove duplication by adjusting the income tax credits received for children.

It is natural that parents in the low income groups will be expected to receive maximum benefits from Family Allowances. Partial benefits will be received, however, by parents with incomes up to \$3,000.

The table below shows the effect of the adjustments which the Government has decided to make. For convenience and simplicity the benefits received by each income group are shown as a per cent of the Family Allowances received. The table shows:

(a) Heads of families receiving incomes in 1945 of \$1200 or less will benefit to the extent of the full amount of the Family Allowances received. As they are not required to pay income tax, there is no duplication to remove.

(b) Heads of families receiving incomes in 1945 in excess of \$1200, but not in excess of \$3,000, will in effect retain the full value of their present income tax credits and in addition a percentage of the actual Family Allowances received.

(c) Heads of families with incomes in excess of \$3,000 will retain their full income tax credits for children if they do not receive Family Allowances. These taxpayers may, however, apply for Family Allowances to protect themselves against a possible decrease in income at a later date which might bring them into a lower income range where they would benefit from Family Allowances. In such cases if the income remains in excess of \$3,000, the income tax credits for children would be reduced by the full amount of Family Allowances received.

TABLE SHOWING EFFECT OF ADJUSTMENT FOR 1945

AMOUNT OF TAXABLE INCOME	Percent by which taxpayers will benefit from Family Allowances in addition to present income tax credits, for 1945.
Not over \$1200	100%
Over \$1200 but not over 1400	90%
1400 " " " 1600	80%
1600 " " " 1800	70%
1800 " " " 2000	60%
2000 " " " 2200	50%
2200 " " " 2400	40%
2400 " " " 2600	30%
2600 " " " 2800	20%
2800 " " " 3000	10%
3000	0%

NOTE—This table applies to married persons and others having the status of married persons for income tax purposes. For the relatively small number of single persons supporting children and not having married status for income tax purposes, and for members of the Armed Forces, special tables can be obtained from the Regional Director of Family Allowances in each provincial capital.

Family Allowances will be paid in full

In all cases, those who apply for and are eligible to receive Family Allowances will receive them in full, month by month. See scale below:

SCALE OF MONTHLY ALLOWANCES FOR THE FIRST FOUR CHILDREN

For each child	Amount
Under 6	\$5.00
From 6 to 9 (inclusive)	6.00
From 10 to 12 (inclusive)	7.00
From 13 to 15 (inclusive)	8.00

Where there are more than four children under 16 in the family, the monthly allowance for each child after the fourth will be reduced in accordance with the provisions of the Family Allowances Act.

As far as is possible, to take care of the adjustments necessary to avoid duplication of benefits, current income tax deductions at the source will be adjusted to take into account the new situation when Family Allowance payments commence. This will avoid placing an awkward burden on the taxpayers at the end of the year.

FAMILY ALLOWANCES ARE NOT TAXABLE

Special attention is drawn to the fact that the income ranges used in the table above refer to taxable income, and any amounts received as Family Allowances should not therefore be included in calculating income for this purpose because Family Allowances are not taxable.

Family Allowances are also additional to dependents' allowances for servicemen's families and military pensions.

For children registered after July 1st, 1945, Family Allowances will be paid as from the month following the month when registration is made. Family Allowances are not paid retroactively.

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Hon. BROOKE CLAXTON, Minister, Department of National Health and Welfare, Ottawa

NOTE THESE TWO EXAMPLES

1. Family with two children, ages 6 and 8, with total income during 1945 of \$1200.

TOTAL FOR SIX MONTHS OF 1945	
First Child	\$36.00
Second Child	36.00
Total	\$72.00

As this family does not benefit by way of income tax credits, it receives and keeps the full amount as stated above.

2. Family with two children, ages 6 and 8, with total income during 1945 of \$1950.

TOTAL FOR SIX MONTHS OF 1945	
First Child	\$36.00
Second Child	36.00
Total	\$72.00
Amount returnable, being loss of income tax credits	28.30
Amount retained (60%, see table)	\$43.20

REGISTER NOW!

If you intend to apply for Family Allowances but have not already done so, please complete and mail Family Allowances Registration Form. Copies of form may be obtained at the nearest post office.



as well as new members and this means that Dr. Beauséne's knowledge and experience may be indispensable under such circumstances in the nation's best interests, though Dr. Beauséne, who is close to 70 years, is known to desire retirement immediately, if possible.

Newspapers may receive more newspaper advertising in the scheme of post-war affairs than ever before in the history of publishing. This is the impression that is gained by this observer backstage along Parliament Hill from some of the activities going on at this time in post-war planning. Since post-war planning has become an extremely important consideration both inside and outside of the capital, it is clear that properly directed salesmanship will be absolutely essential during the readjustment period in Canada. Moreover, war requirements have increased Canada's production facilities to record-breaking proportions and the national economy will require some adjustment of these facilities to peacetime needs, with conversations between this observer and experts indicating that many new products coming on the Canadian market would need intelligent salesmanship before these would be accepted by the public so that the medium of newspapers would be used to the greatest possible extent in such efforts because it is the best possible medium in the light of trials.

Notwithstanding a widely distributed report from Ottawa that the rationing of meat policy in Canada would be the responsibility of the Chairman of the Wartime Prices & Trade Board, Donald Gordon, yet it must be stressed that information in the capital reveals that this is wrong since this was a matter of Government policy or Federal Cabinet decision rather than that of the Chairman of the said Board. Incidentally, it is disclosed in Ottawa that Canada would ship to Britain as much meat and meat products this year as in 1944 when a new precedent was set in these quantities of shipping, though Canada may not be able to supply as much bacon and ham this year as last year, even if there were hopes that this would be offset by increasing the shipments of beef and beef products.

A tip has been given in Ottawa by a former chief of Canadian Army public relations, that the famous Field Marshall Montgomery may visit Canada sometime after the conclusion of the European war. When Premier King departed for the San Francisco Conference, the

THROWS IN SPONGE



Col. Gen. Heinrich von Vietinghoff-Scheel, commander of the German and Italian Fascist armies in Italy, unconditionally surrendered all German land, sea and air forces in Italy and southern and western Austria. His capitulation provided for Field Marshal Sir Harold Alexander, supreme Allied commander in Italy, the largest haul of prisoners in history, nearly 1,000,000 men.

Hon. J. L. Ilsley, Minister of Finance was named as Acting Prime Minister, with Mr. Ilsley's greater need for speed being obvious in the disclosure that he went by plane for a visit to Nova Scotia from the capital. Often information from Ottawa may not be clear, nor full, on account of wartime restrictions or secrecy, but this should not be questioned under certain conditions. This is emphasized and shown in a practical way in the latest disclosure in Ottawa that the 35-year-old Member of Parliament, Major Alan Chambers, who represented a constituency in British Columbia in the Parliament recently dissolved, has been awarded the Distinguished Service Order on recommendation of the British War Office and the King for "outstanding" operational services of a secret nature with the exact details of the "services" rendered by this Canadian M.P. having to remain a secret until after the war.

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