## July 6th . 1942

Dear Sir,

May I congratulate you most heartily on your two valuable letters to "The Times" on the birth rate and family allowances. I was at first afraid that the first, which said much that badly needed saying, had had no other effect than to elicit the truism that the Registrar General was well content with the activities of the General Pegistry Office. But I think your second letter has made an admirable use of his reply.

I wish more could be done to direct the attention of legislators to the really immense differences among the different types of scheme possile, among which they seem inclined to be fumbling almost at random. I believe the most important point at present is to associate with any State grants which may be made, compulsory contributory benefits for higher wage groups. If the central guiding principle is to equalise the standard of living between parents and non-parents performing equivalent services, it is, I believe, a demonstrable fact that the expenditure incurred on behalf of children increases nearly proportionately to income over the whole range of ordinary earned incomes, at least up to about \$2000 a year. Contributory schemes covering the whole field

of salary incomes would cost the exchequer nothing, but would need State initiative and regulation in the present state of public opinion, on lines which, I think, need be no more complicated or onerous than that of the Federated system of University su erannuation, which involves contributions by deduction from nominal salary of but little less than would suffice to give a log increment for each dependent child.

Such a supplementary scheme is necessary to avoid really gross injustices at the wage levels at which the State allowance either ceases, as I think is the case in Australia, or becomes manifestly insufficient, e.g., the man who cannot afford promotion because he has children.

The lack of it would also, in a rather subtle way, greatly diminish the chance that allowances have of improving the birthrate. In France in the inter-war period, I believe, the social example of better paid families, who received insufficient allowances, or none, was a real deterrent to others who, having the means, would have been willing to face the bother and untidiness of a larger family if it had not seemed to put them in an unfavourable light. My impression is that, at present, such social example is at least as important as economic pressure in depressing the birthrate. It provides one of the reasons why I feel sure that, without widespread and intensive propaganda, the response of the birthrate even to an adequate system of allowances will be slow and at first disappointing.

I believe another factor should be rubbed in at the present time. The peoples of Germany, Italy and Japan needed a great deal of enthusiastic persuasion to get them to take, with whatever misgivings, the risks of their war policy. Both to informed and to uninformed opinion in these countries the state of the British birthrate and, in less measure, that of the U.S. and British Dominions, had been no secret. The sight of an extensive Empire "where wealth accumulates and men decay" is not one to be lost on the kinds of leaners which these countries have found. And even that favourable stratum of opinion which knows something of this country cannot fail to be impressed by the fact that we alone among the great nations of Europe are inclined to do nothing about it. The situation which has brought out enamies into the field has, of course, acted equally in discouraging and ultimately losing, allies. The Nazis were careful to broadcast and exaggerate their first successes in raising the German birthrate, which in 1933 was almost as low as the English.

I am afraid I have written at excessive length, but I do hope you will be good enough to keep me in touch with what you write further on the subject.

Yours sincerely,

Mr R.F. Harrod, Christ Church, Oxford.