

The officials at the table, when we get into the clause by clause consideration of the bill will be available to answering any questions. We have with me at the official's table to-day Mr. Tom Kent, who is policy secretary in the Prime Minister's office; Mr. Thorson, assistant deputy minister of justice; and Mr. Sheppard, assistant deputy minister of national revenue.

I thought I should say one or two words as a connecting link with the work of the joint committee of the House and Senate of 1950 to which I was the research adviser. Canada has followed a number of different approaches to old age income security in the past, and it is rather interesting to look over the parliamentary record.

Early references in the debates as to what should be done with regard to income maintenance for older people began to appear after the turn of the century. There was considerable discussion in Parliament in the years 1906 and 1907, and the question then was whether some formal government program should be undertaken. New Zealand had adopted a means test type of old age assistance; Denmark had done the same. A number of European countries had legislation. After consideration of the matter parliament decided to follow a voluntary approach, and in 1908 the government annuities program was brought into operation.

The next occasion when the matter received very considerable debate and discussion was in the mid-twenties. In 1924 and 1925 there was a parliamentary committee which made certain recommendations suggesting the adoption of a social assistance approach. Following this development Canada adopted in 1927 the Old Age Pensions Act, which was patterned on the legislation in a number of other countries. I have mentioned Denmark; it took this approach in legislation in 1892. New Zealand introduced similar legislation in 1898, followed by the United Kingdom and Australia in 1908.

Canada took this basic social assistance approach and adapted it to a federal-provincial structure suitable for a federal state. These other countries, except for Austria, were, of course, unitary states. Canada took the basic elements of this type of assistance program which had a means test, a residence requirement, a citizenship requirement at that stage, and even an eligibility requirement that the recipient must be of moral character. The first pension was for \$20 a month. It was payable on the basis of a test of means which meant that information on income, property and other assets had to be provided to determine whether or not the recipient would be eligible for the benefit. This means test program, payable to persons 70 years of age and over, as we know, was carried on from 1927 up to the time the recommendation of the 1950 Parliamentary Committee was implemented.

When the universal flat rate benefit payable at age 70 was brought in, a new old age assistance program was introduced for those in the age group of 65 to 69. We now have 105,000 recipients under this old age assistance legislation. They represent 21 per cent of the people in the age group of 65 to 69. The total federal-provincial expenditure is about \$90 million for this fiscal year.

In 1957 there was another important step in the development of the social assistance approach. The threshold under the Unemployment Assistance Act was removed and this action converted the Unemployment Assistance Act into a public assistance program or a general assistance program. As time went on, federal sharing of the cost of supplementation of recipients of the old age security and the old age assistance began to take place under the unemployment assistance legislation.

At the present time, therefore, we have provision through the Unemployment Assistance Act for sharing half the cost with the provinces of supplementation for any person in need who is in receipt of old age security or of old age assistance. About 18.6 per cent of the recipients of old age assistance and about 4.8 per cent of the recipients of old age security are receiving such

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