

*Recommendation Two.*

That in respect to applications for war veterans allowance, the ceiling on earnings and/or computed income from sources other than war disability compensation should be established at \$1,200.00 per annum for single men and \$2,000.00 per annum for married men.

*Comment.*

It is quite obvious that the extremely limited ceiling applicable at present and contemplated in bill No. 181 now before the House and affecting war veterans allowance, has not been sufficiently realistic in facing the problems of living costs under present-day conditions. In fact, the extremely low ceiling is reminiscent of the traditional poor law philosophy—that the unfortunate should be grateful for a pittance. A ceiling of \$1,200.00 per annum for single and \$2,000.00 per annum for married war veterans allowance recipients has been selected because it bears a direct relationship to the exemptions under the Income Tax Act of Canada. For income tax purposes, the government of Canada has apparently agreed that the living standard of persons called upon to pay income tax should not be reduced by tax on income below the level of \$1,000.00 per annum for single and \$2,000.00 per annum for married men. We are merely recommending that the minimum level chosen by the government for tax payments might reasonably be accepted as the maximum ceiling for those needing some degree of assistance from government sources, subject only to ceiling supplementation of \$200.00 per annum in the case of the single man.

*Note.*

The provision in Bill No. 181 for monthly computation on higher seasonal earnings for a short period each year, while otherwise permitting the recipient to receive war veterans allowance during the balance of the year has much merit. However, we should point out that our recommendation No. 2 would cover most of the cases likely to be affected.

*Recommendation Three.*

That existing rates of war veterans allowance for the single man plus present supplementation from the veterans allowance assistance fund should be consolidated and increased by one-third to at least \$60.00 per month and that the rate for the married man should be increased proportionately.

*Comment.*

Supplementation of war veterans allowance rates through the assistance fund for those who are unemployable and unable to supplement through casual earnings was at the outset regarded as practical and justifiable. However, in practice, it would appear that the supplementation in addition to the original means test attached to the war veterans allowance assistance fund has carried a secondary means test which serves to confuse and discourage worthy applicants. The war veterans allowance was intended by the legislators of this country primarily as a means of providing for worthy veterans who because of age and/or ill-health had become incapacitated to the point where they could no longer meet living needs through earnings. We do not think that the administration and the operating regulations have been sufficiently realistic to the point of taking into account the inadequacy of the allowance even when supplemented from the assistance fund. We are aware of the diligence of the investigators and of the efforts of the administrators to strictly observe the regulations. We do not blame them, but we do insist that to achieve the application of the spirit of this humane act, the rates must be adequate and administrative latitude based on humanity must be exercised.