

most of the people are not in employment at that particular moment and are receiving very modest part time or no earnings. In the case of the means test program, the allowable income or additional income over and above the pension would usually be less than the basic exemption.

Mr. RHÉAUME: Let us take the example of a person who would have a total income of \$1,200 a year, \$75 of which came from old age assistance, and a little from outside earnings. He would not be looked upon as a contributor.

Dr. WILLARD: Do you mean \$900 from pension and \$300 as extra income?

Mr. RHÉAUME: A person who had only \$700 income from his own employment would be contributing if he was under age 65?

Dr. WILLARD: Yes, the difference being that one is getting pension income and the other earned income for work performed.

Mr. RHÉAUME: Many city welfare departments provide relief to the family in the amount of \$120 or \$130 a month, and there certainly is no contribution made on that.

Dr. WILLARD: If you take relief at a point of time, this would be true, but many people who are receiving unemployment assistance during the course of a year may be earning around \$600 or over; so it would be only a part of the case load. There may be people who are unemployable because of some disability and who are unable to maintain themselves even for a part of the year, but you cannot say that all persons receiving social assistance would not be able to be covered in any given year. There are different situations; some are going on and off the assistance case load during the year.

Mr. RHÉAUME: I am thinking of a case where a person is in receipt of relief assistance all year and also is earning; if he has \$600 from outside sources, would he be contributing?

Dr. WILLARD: The question you really are putting forward is whether some of the local relief authorities or local assistance authorities really would be paying assistance if these people are earning that amount. I would think in most instances it would depend on the pattern of income as I mentioned before. If it is small casual earnings, and if the relief recipient has a wife and a large number of children, that is one thing. On the other hand, if the relief recipient earns this income over a period of three or four months and then is unemployed for the balance of the year, that is another situation; he could have contributed to the pension plan during those four months, and yet be on assistance during the balance of the year. You get into a wide variation and pattern of income which would affect the question of whether or not he is on the Canada pension plan.

Mr. RHÉAUME: In looking at this, can you or your officials conceive of a situation whereby a person would be receiving relief assistance at the same time he is required to make a contribution to the Canada pension plan?

Dr. WILLARD: It seems very unlikely to me that it would occur.

Mr. RHÉAUME: There is the matter of work for relief which many municipalities in Canada are talking about. Persons in such employment would be required to make payments, would they not?

Dr. WILLARD: Yes, if it is pensionable employment in which they are working; they would be expected to contribute on the basis of their earnings, provided their earnings are over, say, \$50 a month.

Mr. RHÉAUME: In respect of the age group 55 to 70, where it is a really good deal, it would pay municipal welfare departments to keep these chronic relief people on staff as consultants in lieu of relief.

Dr. WILLARD: I have no view on that.