

2. Under the existing rates proposed in Bill 164, the veteran, his wife, and in some cases minor children, who must depend entirely on war veterans' allowance will suffer privation.

## 2. CEILINGS ON PERMISSIVE INCOME

### *Recommendation*

That the ceilings on total permissible income under W.V.A., be increased to \$1,200 per year in the case of a single recipient and \$2,000 per year in the case of those married.

### *Comment*

We must again reiterate that, even if this section of the Act is amended as proposed in Bill 164, the act will still tend to defeat its own purpose. If the allowance is intended to assist the aged and needy veteran the low ceilings on permissive income prevent him from supplementing the allowance sufficiently to enjoy a reasonable standard of living.

The legislators of Canada consider that a married couple require the first \$2,000 of income in order to subsist, and the Income Tax Act so provides. Yet the proposed ceilings on total permissible incomes will make it necessary for a married couple in receipt of W.V.A. to live on \$1,440 a year.

The War Veterans' Allowance Act recognizes that the ceiling is too low, and under section 4 and the regulations governing casual earnings, permit it to be substantially exceeded. Yet for those unable to avail themselves of these provisions no exceptions are permitted.

Section 4 and the provisions governing casual earnings also recognize the desirability of self-help, but this recognition is not extended to those who by forethought and thrift have gained for themselves small pensions or retirement annuities. The great merit of our Old Age Security Act is that it recognizes the desirability of encouraging individual thrift and saving, but the War Veterans' Allowance Act discourages it.

Our pension laws recognize that pensions for disabilities cannot be affected by the earnings of the individual, but the small pensioner who must also use war veterans' allowance, finds his pension of little value because its amount is practically deducted from his allowance.

These and other anomalies would be largely eliminated if the ceiling on permissible income were increased to \$1,200 and \$2,000.

## 3. ALLOWANCES TO MINOR CHILDREN

### *Recommendation*

That allowances on behalf of minor children of W.V.A. recipients be paid on the same basis as such allowances are now paid to the children of disability pensioners.

### *Comment*

While there are veterans over 60 in receipt of the allowance who would certainly benefit by this change, it is particularly essential in the case of the veteran under 60 who is in receipt of W.V.A. because he is incapacitated. In some cases the veteran in this category is at present trying to support a wife and several small children on \$90 per month. Under the terms of Bill 164 he will receive \$108. We submit that this is still an insufficient income upon which to support both a wife and children and special allowances for the children are sorely needed in such cases.