

# The Standing Senate Committee on Health, Welfare and Science

## Evidence

Ottawa, Thursday, April 5, 1973

The Standing Senate Committee on Health, Welfare and Science, to which was referred Bill C-147, to amend the Old Age Security Act, met this day at 10.05 a.m. to give consideration to the bill.

**Senator Chesley W. Carter** (*Deputy Chairman*) in the Chair.

**The Deputy Chairman:** Honourable Senators, we have before us Bill C-147, and with us is Mr. Norman Cafik, M.P., Parliamentary Secretary to the Minister of National Health and Welfare. I will ask him to introduce the departmental officials with him and to make an opening statement.

**Mr. Norman A. Cafik, M.P., Parliamentary Secretary to the Minister of National Health and Welfare:** Thank you very much, Mr. Chairman. I have with me today Miss N. O'Brien, Mr. B. W. Mellor and Mr. J. B. Bergevin, who will assist me. I would like to apologize for the minister's being unable to attend today. I am sure all senators know of the overall review of social policy in Canada leading up to a federal-provincial conference of welfare ministers which will take place during Easter week. The minister, by long-standing commitment, has spent this week visiting the representative ministers, province by province, to give them a fore-knowledge of what will be proposed at the federal-provincial conference. I will do whatever I can to explain the bill and to deal with questions which you may put forward.

By way of a brief opening statement, Bill C-147 is quite short and simple. Basically it is designed to achieve the following objectives.

Clause 1 is an amendment intended to increase the universal amount of the old age security payment to \$100 per month.

Clause 2 is a technical amendment required because last year the increases in old age security and guaranteed income supplement were retroactive to January 1. At that time it was necessary to amend the act to provide for such retroactive payment. This year we wish to regularize the situation by adopting the normal fiscal year end of March 31, rather than January 1. This amendment will return the provision to its original form.

Clause 3 is concerned with the calculation of guaranteed income supplements as it relates to the Canada Pension Plan. Previously, Canada Pension Plan income for the purpose of calculating guaranteed income supplement payments was projected into the current year, whereas income from all other sources was in relation to the

previous year. In order to correct that anomaly, this amendment is put forward so that income from the Canada Pension Plan will be treated as is any other form of income; it will be treated in terms of the preceding year rather than projected for the current year. This amendment will normalize that situation.

I could emphasize or try to underline the importance that we attach to the bill. As all honourable senators know, this is effective April 1. The cheques will be going out—hopefully, if it is given royal assent—for payment by the end of the current month; and in order to be able to do that it is important that we have royal assent as quickly as possible, to be able to meet that deadline, so that old age pensioners will, in fact, receive in the current month the benefits they will be entitled to under this act.

Thank you, Mr. Chairman.

**Senator Croll:** Let us assume for a moment an applicant who wants the guaranteed income in addition to the old age pension. Let us take a man from an outlying district—say, Williams Lake in British Columbia, a cove in Newfoundland, a small town, or a large city, or somewhere else. How do you deal with him, to find out what you want to know about him? A man writes to you. Take us through the procedures to show us what is common to the applicants or what is the difference between them, if there is a difference.

**Mr. Cafik:** You mean with respect to how he applies, and how he receives the guaranteed income supplement?

**Senator Croll:** Yes; that is what I want.

**Miss N. O'Brien, Director of Legislation and Policy Development and Review, Income Security Branch, Department of National Health and Welfare:** We send an application form to each pensioner who received the guaranteed income supplement in the previous year.

**Senator Croll:** Start with one who had never received it before and who writes to you and says, "I want the supplement."

**Miss O'Brien:** We send him an application form, which is as simple as possible, on which he gives us details of his name and so on, the name of his spouse, if any, his marital status, and his income from all sources for the previous year. There are a number of sources listed. We also send him a booklet which explains the program and is also a guide to completing the application form. If he has any problems in completing it, and lets us know, we will be happy to send someone out from the regional office to see him. If he is closer to an income tax office, and it is a question of how he