

5. Mr. Martin suggested the expression "old age security tax" used in the draft measure might usefully be replaced by the words "old age security contribution".

Reference was also made to section 8(3) of the draft bill under which provision was made for the recovery from payments under the proposed Old Age Security Act of over-payments which might have been made under the Old Age Assistance Act. He felt that the amounts recoverable were so relatively unimportant that a provision of this nature would be unnecessary. Furthermore, it was inadvisable to use the proposed Old Age Security Act as a means of collecting moneys owed to the federal and provincial governments under other legislation. However, if it were felt that such recovery should be made possible, it would seem preferable to include a provision to this effect in the Financial Administration bill rather than in the present legislation. The Department of Justice had given an opinion to the effect that there would be no legal objection to the inclusion of a provision of this nature in section 95 of the Financial Administration bill.

It was further suggested that the maximum term of imprisonment provided under section 9(1) might be reduced from one year to six months which would be consistent with the present penalty provisions in the Family Allowances legislation.

6. Mr. St-Laurent suggested that, whether a provision respecting recovery under the proposed Old Age Security Act of over-payments made under the Old Age Assistance Act were included in the Old Age Security legislation itself or in the Financial Administration bill, it would seem inadvisable to charge the minister with the responsibility of deciding whether or not there had been an over-payment. It would seem more appropriate to provide that recoveries be made in the event of an admission of guilt had been obtained from the person or persons charged or a competent court had decided that there had been fraud or overpayment. The question of recovery of over-payments should be further discussed by the Minister of National Health and Welfare and the Minister of Finance in consultation.

7. The Cabinet, after considerable further discussion:

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