

to speak, when we were making recommendations as to the spending of large sums of money. It was February, and we were not in the Christmas spirit at the time we were making the recommendation; we were careful not to have it said that the Senate was recommending the expenditure of large sums of money. So we took the minimum figure under the Old Age Assistance Act at the time, \$1,260 for a single person and \$2,220 for a married couple. The bill raises the second figure to \$2,520, which is more realistic.

Moreover, it incorporates the committee's recommendation, as it automatically increases the pension whenever there is any increase in the index which reflects changes in the cost of living. There is a built-in escalation in our recommendation, which is carried forward, and that too is very good.

The additional payment to the recipient is based on income, as proposed by the committee. The committee spoke very loudly against a means test and a needs test. It is not the means test that we have in the Old Age Assistance Act; and it is not the needs test that we have in the Canada Assistance Act. Let us recognize these things for what they are.

The Old Age Assistance Act provides for payments up to \$75 a month per person who is more than 65 years of age, subject to a means test, to take into account the assets and the financial status of relatives. It is administered by the province, and the federal Government pays 50 per cent of the cost, up to \$75 per person.

The Canada Assistance Act is a new umbrella. It provides for the totality of the family need. It looks on it as the family. It considers the old age assistance; it considers the schemes for the blind and the disabled and for the mother of dependent children. There is no upper limit. The federal authority pays 50 per cent of the cost, but up to the present time some of the provinces have been dragging their feet on it. They have not made too much progress, although most of them have come in under it.

The Canada Pension Plan is contributory, self-financing and portable. The contributions began on January 1, 1966, and the plan will not be fully operational for ten years. It will begin to pay benefits on January 1, 1967 to persons of 65 years and over who have made contributions and who have retired; and advertisements are already appearing in the newspapers that persons who think they are entitled should make application. It will eventually pay a maximum of \$104 a month.

When one comes to the guaranteed income, here one has to fill in a form. We avoided the use of the words "means test." In our report you will find the words used are "income requirement form." There was to be no snooping, no prying, no demanding questions, no investigation. Information was to be obtained, but it was to be asked for and received and to be interpreted under the Income Tax Act. In that respect there certainly has been no change. I understand what is now proposed is the same provision as that with which we comply under the Income Tax Act. A pensioner may own a car, have money in the bank, have a TV, own a home, his relatives may contribute, he may receive social assistance from the government, from compensation boards, or there may be widows' allowances, but none of these is considered as income. The form to be used is a simple one setting out the income for the previous year. The benefit to result will be the difference between the income and \$105 a month, the amount he is entitled to get.

**Hon. Mr. Brooks:** How many of these old age pensioners do you think would qualify for the children's allowances?

**Hon. Mr. Croll:** Not too many, and I have not suggested that.

**Hon. Mr. Brooks:** They would only qualify with the small pensions they get.

**Hon. Mr. Croll:** But certainly this test is not a means test or even a needs test. I do not mind telling you that when we sat down to prepare the report, and when we talked about a means test or a needs test, I particularly was qualified to speak on that particular subject. I administered means tests as Minister of Welfare in the Province of Ontario during the depression, and I tried to humanize them as much as possible. I know exactly what it means. For years in this Chamber and in other places I have fought against a means test to the point that the party felt a little uncomfortable in having me around. That was my view then, and it is my view now. But we do not consider this to be a means test. This new concept of the guaranteed income which we embody today in our legislation will be enshrined as a new, imaginative, progressive program. I hope, as I know others are hoping, that it will soon be extended to the disabled, the blind, to widows, to the sick and to the maimed.

**Hon. Mr. Brooks:** May I interrupt the honourable senator? Would he consider that the war veterans' allowance, for instance, is