

immediately before application. A recent amendment authorizes payment to persons who have had 40 years of residence in Canada since 18 years of age, thus making those eligible for the pension who left Canada before reaching the qualifying age. The qualifying age at present (1969) is 66 or over, and will be reduced by a further year, so that in 1970 the pension will be payable to qualified applicants aged 65 or over. The pension payment is adjusted by the Pension Index developed for the Canada Pension Plan. A pensioner who resides outside Canada permanently but has 25 years of residence in Canada since attaining the age of 21 may continue to receive his pension indefinitely. Otherwise, payment of the pension is continued for six months, in addition to the month of departure, to pensioners absent from Canada, and, is then suspended, to be resumed the month the pensioner returns to Canada. The program is financed through a 3 percent sales tax, a 3 percent tax on corporation income and, subject to a maximum of \$240 a year, a 4 percent tax on taxable personal income. The Department of National Health and Welfare administers the program.

#### Guaranteed Income Supplement

This program, which started in January 1967, is designed to provide a guaranteed minimum income to old-age security pensioners. For 1969 it provides a supplementary benefit of up to \$31.20 a month for old-age security pensioners. This means that the supplement, plus the \$78 a month old-age security pension, will ensure that these pensioners will have a guaranteed minimum monthly income of \$109.20. The benefit payment is subject to an income test. The benefit will depend on the amount of income an applicant has in addition to his old-age security pension. For purposes of the program, income is determined in exactly the same way as under the Canadian Income Tax Act. Pensioners with only the old-age security pension will receive a guaranteed annual income of \$1,310.40 for a single person and \$2,620.80 for a married couple both of whom are pensioners. Pensioners with income in addition to their old-age security pension will receive partial benefits. The rule used to determine the amount of the partial benefit is that the maximum monthly supplement, \$31.20 for 1969, will be reduced by \$1 for each full \$2 of monthly income which a pensioner has in addition to his old-age security pension and any supplement that may have been received. The program provides two options for persons who retire from regular employment -- one for persons retiring in the year preceding the benefit year and the other for persons who retire in the benefit year. The income of married couples is accorded special treatment. Marital status for the program depends on actual status on the last day of the year preceding the benefit year. Payments will be made outside Canada but will cover temporary absences from the country only, and in the same way as the old-age security program. The program is administered by the Department of National Health and Welfare. The Department of National Revenue assists by checking income information received on returns made under this program with information received under the Income Tax Act.

#### Unemployment Insurance

The Unemployment Insurance Act provides for a program of unemployment insurance which is administered by the Unemployment Insurance Commission through its head office, five regional offices and local offices located in large centres across the country. Unemployment insurance is compulsory and in general all employees, irrespective of length of residence, are insurable except salaried personnel earning more than \$7,800 a year, and persons working in certain excluded occupations, such as teaching, private domestic service and employment