

now of pensionable age. They were concerned about these things because they might involve the expenditure of enormous amounts of federal resources and therefore limit the flexibility the federal government had in zeroing in on other social areas of high priority. They wanted to make sure that we did not make any basic adjustment in the plan itself until such time as both the federal and provincial authorities had had an opportunity to participate in a review.

Senator Argue: But their very spokesmen from the same parties in the House of Commons are advocating that you lower the age and that you make other changes. Have they double voices?

Mr. Cafik: I would not be the least bit surprised, but I do not intend to make any comment in respect of that. I think there is often a clear distinction between what is said at the provincial level and what is said at the federal level by those of the same party. I think that would apply regardless of the party in office.

Senator Argue: I should like to get your comment as a private member of Parliament rather than as a spokesman for the Cabinet. Senator Croll headed up a special committee of the Senate which brought in a report on poverty in Canada. On my cursory reading of that report, the suggestion was made that 30 per cent of income should be for non-basic expenditures. Do you think that is a reasonable figure to apply—and it is not being applied—to the old age security and the guaranteed income supplement that should be paid as a comfort allowance to persons in these nursing homes who are socially active, to use a phrase I have come across? That would be \$50 a month. Surely, that is not a lot of money? I do not think it should be lower than that.

Mr. Cafik: I do not want to prejudge that particular point. I do not know the basis used for the determination of the 30 per cent figure in the Croll report. I presume that one would have to have some understanding of what the basic income was from which you were projecting 30 per cent for these other purposes. I do not know if the 30 per cent figure is too high or too low in relationship to the combined OAS and GIS payments.

Senator Argue: It would be \$50 a month.

Mr. Cafik: Yes, I realize that. It may well be an adequate or a worthwhile figure; I am not trying to prejudge that. I do know that we are concerned that the comfort allowance set by the provinces in some way reflect some of these increases.

Senator Croll: Surely, the department has a view of its own as to what is a reasonable comfort allowance? The department has the personnel who have the experience and the knowledge in this area. Surely, you must have some view. If it is policy or embarrassing, then I will not press it.

Mr. Cafik: It is not the least bit embarrassing, except for the fact that I do not know the answer, and I suppose that might be considered embarrassing. I know of no figure that has been projected as an adequate comfort allowance. The federal government does not control the establishment of comfort allowances. I know of no one who has in fact on our level calculated one. I am

sure you have seen the comfort allowance province by province now, and there is considerable variation. There does not appear to be much justification for the variation, ranging from \$10 a month up to a projection of \$50 a month in the province of Quebec. That would clearly indicate there is an area that needs to be studied, and needs to be corrected.

Senator Martin: What is Ontario?

Mr. Cafik: In the province of Ontario the comfort allowance is \$25.

Senator McElman: Could you run through the list?

Mr. Cafik: By all means, senator. Newfoundland, \$20; Prince Edward Island, \$15; Nova Scotia, \$20; New Brunswick, \$15; Quebec is presently \$40, and I think it is going up to \$50; Ontario, \$25; Manitoba, \$14.21 for the socially active, I think, and for the socially inactive \$5; Saskatchewan \$15; Alberta \$30; British Columbia \$23.60; Yukon \$20; and Northwest Territories \$10.

Senator Bonnell: It would be my understanding that the comfort allowance would be more in line coming in under the Canada Assistance Act rather than the Old Age Security Act. Maybe in the Canada Assistance Act, when it is amended, a section could be put in to say that the provinces would be allowed to give a comfort allowance in those institutions up to \$50, and then it would not interfere with the sharing of the federal government under the Canada Assistance Act. I think the place to put in that type of suggestion would be under the Canada Assistance Act rather than the Old Age Security Act.

I do not know whether this is a fact or not, but it has been suggested that the GIS received is based on last year's income, so that somebody who filled in a form stating how much money they made last year would have their pension based on that this year. It is my understanding, whether correctly or not, that that is not necessarily always the case, that if somebody said they are going to retire this year and signed a statement to that effect, or filled that in blank, they would be entitled to forget the income they had last year and base their income on this year, and they could therefore get a full pension.

Miss O'Brien: This is quite right.

Mr. Cafik: That is quite right. If there is a projected retirement they can base it on no income as opposed to the preceding year. I agree with the suggestion that the comfort allowance really more properly belongs in the Canada Assistance Plan. The Canada Assistance Plan contributes half of the money under an arrangement with the provinces for any comfort allowances. The proposal that we in fact tie a string to the Canada Assistance Plan payment by saying a province must pay \$50 comfort allowance is not, I feel, at the moment in keeping with the spirit of the Canada Assistance Plan, where they initiate the programs and we contribute half the price. It is supposedly to allow for flexibility from province to province, to meet localized needs and circumstances.

Senator Croll: You pay these people on the same basis, whether they live in Newfoundland or elsewhere; \$170 comes to them if