

FRIDAY, June 10, 1960.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

I am very glad to see you all here bright and early this morning. We will proceed with the first clause of Bill C-71.

On Clause 1—*Payment where recipient absent from Canada:*

Mr. PUGH: I take it that this brings it in line with the recent amendment to the Old Age Pensions Act.

The CHAIRMAN: First of all, gentlemen, I would like to ask how you would like to proceed this morning. Would it be your wish that Mr. Garneau make a short statement on the amendments, the reasons for them, and so on?

Mr. BROOME: I think that would be the best method of proceeding, Mr. Chairman.

Mr. HERRIDGE: I think that would be the best method of proceeding, Mr. Chairman, and after that we could ask questions and obtain answers on certain aspects of this. It might be that we will want an explanation on certain points. I think this would be the easiest and best way to do it, and it would be more informative to those who read the proceedings later on.

The CHAIRMAN: Mr. Garneau has just informed me that he would like the deputy minister to make the statement.

Mr. LUCIEN LALONDE (*Deputy Minister of Veterans Affairs*): Mr. Chairman, the basic purpose of the amendment is to retain the similarity that has existed for a number of years now with respect to periods of absences from Canada of recipients of old age security pensions and war veterans allowances.

For the past eight years, I believe, the provisions of both acts dealing with absences from Canada have been the same. The government, having decided to change the provisions of the Old Age Security Act with respect to absences, instructed the department to provide a draft of an amendment to the War Veterans Allowance Act, which would achieve the same results—and this is the purpose of the bill.

The basic section to achieve this is contained in clause 1 of the bill. This will provide an addendum to section 3 of the War Veterans Allowance Act. The present section 3 contains a provision that an allowance is payable to male or female veterans or widows under certain conditions. One of those conditions is that they must be residents of Canada.

By adding a subsection 3 to the present section 3 of the act, we will now have the authority to pay, under the circumstances mentioned in the clause, the war veterans allowance to either veterans or widows outside of Canada.

However, the basic principle is retained—that the allowance is payable to those who reside in Canada; and the new clause simply extends the period of absence that a recipient can enjoy. Originally, that period of absence was three months; then, a few years ago it was extended to six months, and this clause says that it can be extended indefinitely.

You will notice this applies only to section 3 recipients. There is a simple reason for that. Section 3 recipients are those who receive the allowance on a yearly basis. Section 4 recipients receive it on a monthly basis, but have to report to the unemployment insurance office every month because, if there is work available for them, they can work for one, two or three months, and then come back on the allowance, without their earnings being counted against them. However, we thought it was logical to say that if they were outside the country they could not report to the unemployment office. This clause does not create any adverse situation for the section 4 recipient, because if they do wish to absent themselves from Canada the district authority can automatically transfer them to section 3 before they leave, and then they will go on to the yearly allowance, the same as the others.