

**Mr. Chairman** Are there any further comments on section 4, sub-section 1 before we move on to the next sub-section? In that case Mr. Smallwood, if you'll be good enough to go into sub-section 2.

**Mr. Smallwood** Sub-section 2 of clause 4: "Old age pensions and pensions for the blind as provided by the Old Age Pensions Act, 1927 and amendments subject to agreement with the government of the province." Sir, here is an official memorandum prepared for the delegation by the Government of Canada:

Old age pensions and pensions for blind persons are non-contributory pensions subject to a means test and paid under a Dominion-provincial plan. The provinces are responsible for the administration, and the Dominion pays 75% of the cost of the pensions paid in accordance with the terms of the agreements made under the authority of the Dominion's Old Age Pensions Act. Before entering into an agreement with the Dominion, the province must have legislation authorising the provincial government to pay pensions and to make an agreement with the Dominion for reimbursement by the Dominion of its share of the cost of pensions. Before an agreement can come into force the plan for the administration of pensions proposed to be adopted by the province must be approved by the Governor in Council. (That is of course the governor in council of the Government of Canada.) An agreement continues in force so long as the provincial statute remains in operation, or until after the expiration of ten years from the date the Dominion notifies the province of its intention to terminate the agreement. Under the provisions of the Dominion Act, the province is free to fix in its agreement both the maximum pension payable and the maximum income allowed within the limits specified in the act. The Dominion's contribution, however, can not exceed 75% of \$30 a month in any case, and is payable only where the pensioners fulfill the requirements set forth in the Dominion Act and the regulations made there under.

The principal requirements are age, residence and income. For an old age pensioner, the age at which pension may be granted is

70 years and for a blind pensioner 21 years. The act requires that an applicant must have resided in Canada for the 20 years immediately preceding the date of the proposed commencement of the pension. Both the act and the regulations, however, make special provision for pensioners who have been absent during the 20 year period. The maximum income, including the pension allowed in the case of an unmarried old age pensioner, is \$600 a year; and in the case of a married old age pensioner, \$1,080 a year. Higher amounts are allowed for blind pensioners and for married old age pensioners with spouses who are blind. The transfer of property by an applicant or his spouse may delay the granting of a pension. The provincial pension authority must decide whether or not an assignment or transfer of property was made for the purpose of qualifying the applicant for pension, or for a higher pension than he would otherwise receive. After pension is granted, a provincial pension authority may, if authorised by provincial legislation, encumber any real property owned by the pensioner. No province requires an applicant to turn over his property to the provincial government either before or after granting pension. In its agreement with the Dominion, a province agrees to deal with an application in manner prescribed by regulation, and to grant pension to any person residing in the province if satisfied that he is eligible to receive pension. Each province also agrees to pay the pension of any pensioner who transfers his permanent residence to such province, and to reimburse any other province to the extent of 25% of \$30 monthly or the amount of pension granted, whichever is the lesser, where the pensioner during the last 1,095 days that he was present in Canada prior to reaching pensionable age, or prior to making application whichever is the later, was present in such province for a greater number of days than in any other province. The details of administration are contained in the Dominion Old Age Pension Regulations. The act authorises the Governor in Council to make the regulation setting up an inter-provincial board to interpret and recommend alterations in the Dominion Act and in the