

Smallwood, because I am not anxious at all to paint a gloomy or pessimistic picture, but the position is really this: that in order to qualify the first thing you have to do is literally rent your own home from yourself. You place a value on it of say \$20 a month, say \$240 a year. That is considered as part of your yearly income. You stated that yourself. Let's accept that as a fact. Now then the pension is valued next — \$30 a month, \$360 a year — so that gives us the \$600. In other words a pensioner can't really have any income outside the home he is living in, and the pension he hopes to receive. That is really the position isn't it? If he has any other income he can't qualify for a pension on that income or be assisted in some way or another. Is there such a thing as a part pension, say \$100 a year, or \$200 a year?

Mr. Smallwood Yes, of course. If an old age pensioner has a house in Joe Batt's Arm, and it is valued at \$240 a year, that is \$240 a year income he has — if it is valued at \$20 a month, which is pretty high; \$20 a month in most outports would be very, very high. It is nearer \$5, or \$6 or \$8 or \$10 a month. But if it is valued at \$240 a year, \$20 a month straight, then he can still make \$100 a year, but that cuts his pension by \$100 a year, and instead of getting \$360 a year then he gets \$260.

Mr. Vardy In other words you may be getting \$240 a year from the government towards your pension, and I may be getting \$360. Is that it?

Mr. Smallwood Yes, that's right.

Mr. Vardy I never heard it explained that way. I did not know that such a scheme existed. I thought you had to qualify or disqualify for your pension. Let us assume that is the position. There is one undeniable fact, isn't there Mr. Smallwood, in fairness to these people that we owe the whole truth to, it is a fact that they must hold their property while they are drawing the old age pension from the state, and in the end finally the state would take the position that if the sons or daughters refused to assist in any way towards their support, that it would be the state's right, if they accepted the old age pension under these conditions, to step in and take over sufficient of the property to repay the state for the amount they had paid out in old age pension? I take it that's the true position isn't it? Give the people the facts, that's my idea.

Mr. Smallwood That's right. I thought I had

said that. Now bearing on that, as I said before the old age pension is only given to people who need it. It is not meant for people who don't need it. But if a person is qualified for the old age pension by age, in other words he is 70 years of age, then they come to figure the income of that person, mother's allowances will not be included as income. You can get mother's allowance of course, but you would be pretty old at 70 to get mother's allowance, but there may be cases of it. Family Allowances again, at 70 if you were a woman you would be pretty old at 70 to have children under 16, but that is not counted as income, cost of living allowances are not counted as income.... If a man gets a military allotment from a son or daughter in active service in time of war that is not counted as income. Direct relief ... is not counted as income. Casual gifts of small value all not counted as income....

Now further, when for the purpose of assessing the value of a man's house, what the yearly value would be in that locality ... the Pension Auditor says this house in Joe Batt's Arm is worth \$9 a month (the same house in St. John's might be worth a lot more), but it's taken \$3 a month to keep it up. It gets a coat of paint every four years, or a coat of tar every year or second year. Whatever the average cost of maintaining the house is, that's taken off from the annual rental value. I don't know if there is any other point here. This is the act itself that I am quoting from....

If I may, on this old age pension, I don't want to delay the matter, I am finished now when I make this observation. Here Mr. Starkes could be of a great deal of help if he would be so kind. The question is: "What is the value of the average home in the outports?" Now I know there are places in Newfoundland besides the outports, St. John's is not an outport, but thinking for a minute of the outports. What is the average home worth? Mr. Vardy puts it at \$5-800, or \$1,200-1,500. He did not get up as far as \$2,000. In Admiral's Cove in Mr. Starkes's district there are four persons of 70 and over. No, I have got the wrong district, I mean Mr. Goodridge's district. In Aquaforte, there are four persons. In Bay Bulls 46, in Bear Cove one, Big Pond two, Biscay Bay five, Brigus South one, Calvert five, Cape Broyle 15, Cape Pine 27, Cape Race one, Cappahayden none, Collier's Cove six, Stanleys Point three, Drook