

ances for a disabled child not attending school, however, are payable continuously throughout the year. Should the youth leave school, leave the country permanently, cease to be maintained, take up residence in Quebec or die, the allowance will cease. Otherwise, the youth allowance continues until the end of the month in which the youth reaches age 18. Youth allowances are considered not to be income for any purpose of the Income Tax Act.

The program is administered by the Department of National Health and Welfare. The National Director of the family allowances and old age security programs also administers youth allowances, assisted by regional directors located in each of the provincial capitals.

The costs of youth allowances are met from the Consolidated Revenue Fund. For the seven months ended Mar. 31, 1965, the cost of youth allowances was estimated to be \$27,000,000. For the first full year of the program, that is the fiscal year ending Mar. 31, 1966, it is estimated that the cost will amount to \$48,000,000; additional funds will, of course, be expended in the form of compensation to the Province of Quebec. At the end of March 1965, youth allowances were being paid in respect of 398,037 children, excluding Quebec.

Section 2.—Federal-Provincial Programs

Subsection 1.—Canada Assistance Plan

Proposals for a Canada Assistance Plan that would complement the provisions of the Canada Pension Plan were announced in the Throne Speech on Apr. 5, 1965 and were discussed at a Federal-Provincial Conference of Ministers of Welfare on Apr. 8 and 9. Under the Plan, the Federal Government would be prepared to contribute, through comprehensive assistance programs adopted by the provinces, to the cost of assisting persons in need. Rates of assistance would be set by the provinces or their municipalities.

The plan would provide for extension of federal sharing to the costs of assisting needy mothers and of providing health care services to assistance recipients. Federal sharing would also cover expenditures for public assistance administration and for improving and extending welfare services for assistance recipients in order to encourage the development of services that would enable assistance recipients to achieve the greatest possible degree of self support.

Subsection 2.—Old Age Assistance

The Old Age Assistance Act of 1951, as amended, provides for federal reimbursement to the provinces for assistance to persons age 65 or over who are in need and who have resided in Canada for at least ten years or who, if absent from Canada during this period, have been present in Canada prior to the commencement of the ten-year period for double any period of absence. On reaching the eligible age a recipient is transferred to old age security. The federal contribution may not exceed 50 p.c. of \$75 a month or of the assistance paid, whichever is less. The province administers the program and, within the limits of the federal Act, may fix the amount of assistance payable, the maximum income allowed and other conditions of eligibility.

For an unmarried person, total income allowed, including assistance, may not exceed \$1,260 a year. For a married couple it may not exceed \$2,220 a year or, when the spouse is blind within the meaning of the Blind Persons Act, \$2,580 a year. Assistance is not paid to a person receiving an old age security pension or an allowance under the Blind Persons Act, the Disabled Persons Act, or the War Veterans Allowance Act.

Recipients of old age assistance who are in need may receive supplementary aid under general assistance programs in the provinces. In certain circumstances, the Federal Government may share in such aid under the Unemployment Assistance Act (see p. 325).