into reciprocal arrangements with other countries where there is a common interest in as full coverage as possible and in the portability of pensions and where mutually satisfactory agreements can be reached.

Subsection 2.—Old Age Security

Under the Old Age Security Act of 1951, as amended, a universal pension of $75 a month is payable by the Federal Government to all persons who meet the residence and age qualifications. Until 1965, the pension was payable to those age 70 or over but in 1966 it is payable to persons age 69 or over, in 1967 to those age 68 or over, and so on until by 1970 it will be payable to everyone age 65 or over. In 1968 and succeeding years, the amount of the pension will be adjusted in line with changes in the Pension Index developed for the Canada Pension Plan (see p. 309).

The old age security pension is payable to a person of attained age who has resided in Canada for ten years immediately preceding his application for the pension. Any gaps in the ten-year period may be offset if the applicant had resided in Canada in earlier years for periods of time equal in total to double the length of the gaps; in this case, however, the applicant must also have resided in Canada for one year immediately before his application for pension. The pension is also payable to persons of attained age who have left Canada before reaching that age but who have had 40 years of residence in Canada since age 18. A pensioner may absent himself from Canada and continue to receive payments. If he has lived in Canada for 25 years since his 21st birthday, payment outside of Canada may continue indefinitely; if not, payment is continued for six months, in addition to the month of departure, and is then suspended, to be resumed only with the month in which he returns to Canada.

The program is administered by the Department of National Health and Welfare through regional offices located in each provincial capital, to which application is made for pension. It is financed through a 3-p.c. sales tax, a 3-p.c. tax on corporation income and, subject to a limit of $120 a year, a 4-p.c. tax on taxable personal income.

1.—Old Age Security Statistics, by Province, Year Ended Mar. 31, 1966 with Totals for 1964-66

Province	Pensioners in March	Net Pensions Paid during Fiscal Year	Province or Territory	Pensioners in March	Net Pensions Paid during Fiscal Year
	No.	$		No.	$
Newfoundland	21,184	17,586,159	Alberta	74,514	62,793,976
Prince Edward Island	8,809	7,447,170	British Columbia	135,556	115,292,880
Nova Scotia	49,801	42,048,599	Yukon Territory	296	254,880
New Brunswick	36,852	30,994,768	Northwest Territories	506	405,690
Quebec	242,865	201,031,152			
Ontario	402,997	337,194,513	**Canada 1966**	**1,105,776**	**927,299,487**
Manitoba	65,758	55,494,509	**1965**	**993,582**	**885,294,468**
Saskatchewan	66,638	56,755,191	**1964**	**971,801**	**898,391,300**

Subsection 3.—Family Allowances

The Family Allowances Act of 1944 is designed to assist in providing equal opportunity for all Canadian children. The allowances do not involve a means test and are paid from the federal Consolidated Revenue Fund. They do not constitute taxable income but there is a smaller income tax exemption for children eligible for allowances.

Allowances are payable in respect of every child under the age of 16 years who was born in Canada, or who has been a resident of the country for one year, or whose father or mother was domiciled in Canada for three years immediately prior to the birth of the child. Payment is made by cheque each month, normally to the mother, although any person who substantially maintains the child may be paid the allowance on his behalf. Allowances are