PART II.—PUBLIC WELFARE AND SOCIAL SECURITY

Responsibility for social welfare is shared by all levels of government. Comprehensive income-maintenance measures such as the Canada Pension Plan, old age security pensions, family allowances, youth allowances and unemployment insurance, where nation-wide co-ordination is required, are administered federally. The Federal Government gives substantial aid to the provinces in meeting the costs of public assistance and also provides services for special groups such as veterans, Indians, Eskimos and immigrants. The Department of National Health and Welfare is generally responsible for federal welfare matters although the Departments of Veterans Affairs, Indian Affairs and Northern Development, and Manpower and Immigration operate programs for specific groups.

Administration of welfare services is primarily the responsibility of the provinces but the provision of services is often assumed by local authorities, generally with financial aid from the province.

Co-ordination in welfare matters between different levels of government and between government and voluntary authorities is facilitated by the National Council of Welfare, an advisory body to the Minister of National Health and Welfare. The Council consists of the federal Deputy Minister of Welfare who acts as chairman, the provincial deputy ministers of welfare, and ten other persons appointed for three-year terms by the Governor in Council.

Section 1.—Federal Government Programs

Subsection 1.—Canada Pension Plan

The Act establishing the Canada Pension Plan received Royal Assent on Apr. 3, 1965 and was proclaimed in force on May 5 of the same year. The collection of contributions commenced in January 1966, and in January 1967 the first benefits were paid in the form of Retirement Pensions. The Plan represents an important milestone in Canadian social development. It will enable millions of people to make financial provision for their retirement and to protect themselves and their dependants or survivors against loss of income in the event of the disability or death of the head of the family.

The Plan is universally applicable throughout Canada, except in the Province of Quebec where a comparable pension plan has been established. The Canada and Quebec Pension Plans, however, are closely co-ordinated and operate virtually as a single program. Together, they cover almost all members of the labour force in Canada. Benefit credits accrued under the Canada or Quebec Plans are portable throughout Canada. A contributor who may have worked for more than one employer during his lifetime or who may be self-employed for all or part of his working life will accumulate pension credits regardless of where he may work in Canada. In addition, benefits under the Plan are payable to beneficiaries whether or not they live in Canada. Every contributor to the Plan must have a Social Insurance Number so that his pensionable earnings may be accurately recorded for benefit purposes.

To participate in the Plan, a person must be between the ages of 18 and 70 and earn more than $600 yearly as an employee, or at least $800 if he is self-employed. As of 1967, contributions are made on earnings between $600 and $5,000 a year by both employees and self-employed persons. Employees contribute at the rate of 1.8 p.c. and a matching contribution is made by their employers; self-employed persons contribute at the rate of 3.6 p.c. No contributions are to be made by persons while they are receiving disability pensions. Although contributions are not paid on the first $600 of annual earnings, that amount is nevertheless included in the calculation of benefits. Benefits are classified under three main headings: Retirement Pensions; Disability Pensions for contributors, with additional benefits for their dependent children; and Survivors' Benefits, consisting of a widow's pension, a disabled widower's pension, orphans' benefits, and a lump sum death benefit.