

reduced by \$1 a month for every \$2 a month of income over and above the Old Age Security pension and any supplement that may have been received. Income for this purpose is the same as that computed in accordance with the Income Tax Act. In the case of a married couple, each is considered to have one half of their combined income. Where one spouse will not be receiving the Old Age Security pension at any time in the current year, six times the amount of the monthly OAS pension is deducted from one half of the combined income in calculating the income of the pensioner for purposes of determining the amount of the Supplement.

In January 1975 the OAS stood at \$120.06. For a single pensioner, or a married one whose spouse was not in receipt of the OAS, the maximum monthly GIS on the above date stood at \$84.21. For a married pensioner whose spouse was also in receipt of the OAS, the maximum monthly GIS for each stood at \$74.79. The OAS and maximum GIS are adjusted every quarter year to reflect increases in the consumer price index.

The Old Age Security program is administered by the Department of National Health and Welfare through regional offices located in each provincial capital at which applications for pension are received. The regional office in Edmonton administers the program for residents of the Yukon Territory and the Northwest Territories. Summary statistics concerning the OAS and GIS programs appear in Table 6.14.

6.3.4 Family Allowances

6.3.4.1 The federal program

The Family Allowances Act, 1973, which came into effect on January 1, 1974, replaced the former Family Allowances Act of 1944 and the Youth Allowances Act of 1964. A description of these latter programs can be found in the *1973 Canada Year Book* pp 257 - 258.

Under the Act of 1973, a monthly Family Allowance is payable on behalf of a dependent child under 18 years of age who is resident in Canada and is maintained by a Canadian citizen or landed immigrant resident in Canada. In special cases the child or parent need not be resident in Canada, or the parent may be a non-immigrant admitted to Canada. The allowance is normally paid to the mother of the child. The Family Allowance is taxable and must be included as income by the person who claims the child as a dependent.

A monthly, non-taxable Special Allowance is payable on behalf of a child under the age of 18 who is in the care of, and maintained by, a government, a government agency, or an approved private institution. Although normally paid to the institution which has care of the child, the Special Allowance may be paid to the child's foster parent at the request of the institution.

Family and Special Allowances are increased at the beginning of each year whenever an index based on the consumer price index for Canada increases. The monthly Special Allowance was \$20 in 1974, and \$22.08 in 1975.

The Act permits a provincial legislature to specify the Family Allowance rates to be paid to families resident in the province provided that: (a) the rates are based only on the age of the child, the number of children in the family, or both; (b) no rate is less than 60% of the current federal rate; and (c) the total amount of Family Allowances paid in the province is, as far as practicable, the same as if the federal rates had been paid. Only Quebec and Alberta have specified their own rates. Provinces do not have the power to specify the Special Allowance rate.

Quebec specified the 1974 rates in the Quebec Family Allowances Plan of 1973 and, for 1975, in an Amendment to that Act passed in 1974, as follows:

Monthly Family Allowances in Quebec, 1974 and 1975 (dollars)

	0 - 11 years		12 -17 years	
	1974	1975	1974	1975
First child	12.00	13.25	17.00	18.77
Second child	18.00	19.87	23.00	25.39
Third child	28.00	32.84	33.00	38.36
Each additional child	31.00	36.16	36.00	41.68

Alberta specified the 1974 rates in an Order in Council, dated December 19, 1973, which were subsequently incorporated in the Social Development Amendment Act, 1974. The rates for 1975 are specified in an Order in Council dated November 29, 1974.