

required to provide for ad hoc relief funding on a large scale for many families who were unemployed and without financial resources. Between 1930 to 1937 the federal treasury provided more than \$800 million for relief payments under emergency legislation.

The necessity for federal participation in providing income security at the community level has persisted though the provinces have initiated new strategies to alleviate personal financial need. General assistance programs came into force in 1955 with the Unemployment Assistance Act administered by the federal government which allowed for 50% cost-sharing in provincial welfare programs for families and individuals.

8.3.1 Canada Assistance Plan

Since 1966 the Canada Assistance Plan (CAP) has largely replaced unemployment assistance and such categorical programs as benefits for the blind and the disabled, allowances for single mothers and pensions for the elderly. The Canada Assistance Plan was introduced during a period when parallel developments included the Canada Pension Plan and Quebec Pension Plan, a universal unemployment insurance program and medical health insurance; some of the public responsibility for maintenance of family income has shifted to these other programs.

CAP provides for 50% cost-sharing by the federal government in provincial government programs to provide financial aid to families in need. Table 8.9 provides data on payments and recipients, and Table 8.10 relates the expenditures to all social security spending. While definitions of need vary somewhat among provinces, the general structure of family budgets includes components for basic daily living: food,

The growth of social security expenditures was roughly parallel to growth of the economy in the period 1976-79, rising to \$35.6 billion. This contrasts with the \$99 million spent on social security in 1927.

shelter, clothing and personal care. Provision is made for special needs such as school books for children, transportation and equipment if necessary to obtain employment, health care or other essential services. A family budget is set up. The difference between money available from a person's private resources and that required under the calculated family budget represents the social assistance payment.

There are three main types of social assistance clients. Single parent families with female heads usually form the largest sector. Second are clients on assistance because of physical or mental handicap or disability, including chronic illness; they are unable to earn a living independently though they may have some marginal participation in the work force. Third are families and individuals underemployed or temporarily unemployed and not fully protected by unemployment insurance, the elderly and persons in crisis situations who are unable to maintain themselves.

Provincial welfare departments set rates of assistance and conditions of eligibility. They have regulatory and supervisory powers over municipal administration of assistance, and require certain standards as a condition of provincial aid. The municipality of residence may administer the benefits locally. The provinces generally take responsibility for aid to persons residing outside municipal boundaries and for those who lack municipal residence.

8.4 Income insurance programs

8.4.1 Unemployment insurance and compensation payments

The high cost of relief payments before World War II convinced the federal and provincial governments of a need to establish reserves to meet contingencies of high unemployment and economic depression. The federal government took the initiative with the 1941 Unemployment Insurance Act. It required the consent of all provinces through an amendment to the BNA Act to permit the federal government to introduce