

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Fourteenth Legislature
28th Day

Monday, March 20, 1961.

The House met at 2:30 o'clock p.m.

On the Orders of the Day:

STATEMENT RE SUPPLEMENTAL AND MOTHERS' ALLOWANCES

Hon. A.M. Nicholson (Minister of Social Welfare & Rehabilitation): — Mr. Speaker, I have a statement, and in case the Members heard the content of this statement over radio or T.V. over the weekend, then I would like to apologize and give a brief explanation.

As has been the custom there was an advance release issued on Friday by the Department of Industry and Information so that the daily papers and the radio and the T.V. stations throughout the province would have this information before 3:00 p.m. this afternoon. This release went to Edmonton by Canadian press but, unfortunately, the heading "Do not release before 3 p.m. Monday" was inadvertently omitted on the release. It was immediately fed back to Saskatchewan media. Twenty minutes later the heading was sent over the wires with the idea of "killing" the release until later. Due to a tragedy in the city, the radio and T.V. staff who monitor the wire service, thinking the news had all come through, did not notice the "Do not release" wire. The management of the T.V. and radio stations have given this explanation, and their apology, and I'm sure that the hon. Members will accept this explanation, as I do.

The statement is in connection with the supplemental allowance, and mothers' allowance program. These two of the province's public assistance programs will be converted to a needs rather than a means test basis. This is a milestone in the welfare history of the province. These changes constitute another step in developing a comprehensive social security system within this province, which will insure that no one need lack the necessities of life or the wherewithal to live decently. For a long time this Government has been concerned about the levels

March 20, 1961

of assistance and the methods of providing assistance in both our supplemental allowance and mothers' allowance programs. Supplemental allowance and mothers' allowance benefits have been provided at levels set on an arbitrary basis which established arbitrary maximum levels of income and resources which people might have. These levels of income did not necessarily have a positive relationship to the actual needs of the people involved. Those allowances have been established on what is commonly called a means test, whereby resources but not needs are calculated and measured against an income ceiling. This has proven to be an inadequate and an outdated method of meeting the needs of people. We believe that need can better be met through a method whereby needs as well as resources are considered, and assistance is granted to fill the gap or deficit between resources and need.

We are now in a position to convert the supplementary allowance and mothers' allowance programs to the more positive needs test method by calculating eligibility similar to the present social aid program. Negotiations with the Federal Government, which have been underway for some considerable time, have very recently been finalized. Through these negotiations, supplemental allowances, which have been financed entirely by the province, may be shared by the two governments on a 50-50 basis, under the Unemployment Assistance Act, providing the allowances are paid on a needs test, rather than the present means test basis.

This change in methods of establishing eligibility which we heartily agreed to will result in additional allowances amounting to about \$2,145,000 annually. I want to make it very clear that in my referral to the social aid program, I do not mean that municipal governments will be expected to carry additional responsibilities. Because of the health benefits which are provided by the province to recipients of supplemental allowance, the program will continue to be administered by the Department of Social Welfare and Rehabilitation. This will be the case until such time as satisfactory arrangements can be mutually worked out with municipal governments. There will be additional administration responsibilities. In agreeing to share the costs of supplemental allowances, the federal authorities stipulated certain conditions that must be met in establishing continuing eligibility. They set as a condition that this must be re-established every twenty-four-month period by a personal interview, and during the intervening twelve-month period, by a sworn affidavit of financial circumstances, completed by the recipient.

Our experience in the past has been that the financial circumstances of supplemental allowance recipients do not generally improve, and we consequently have not made a practice of establishing continuing eligibility, unless it appeared necessary. The federal stipulation that we do this on a regular basis will increase the administrative costs. However, absorbing this seems justified in view of the additional benefits to our people and the financial help which will be available from the Federal Government as a result.

Mr. Danielson: — On a point of order, what is this? Is he delivering the lecture that delivered to that public meeting a few days ago?

Mr. Speaker: — No. It's a statement I believe being made by the hon. Minister regarding his Department, and it is quite in order at this time.

Mr. Danielson: — We are not on estimates, not now.

Hon. Mr. Nicholson: — Mr. Speaker . . .

Mr. Danielson: — He is entirely out of order.

Mr. Speaker: — Order! I do not think so.

Hon. Mr. Nicholson: — Mr. Speaker, I might say in reply to the hon. Member, I could have delayed this till my estimates, but I would be open to criticism for not making the information available to the hon. Members before the estimates are reached. I am sure that when I make this information available to the hon. Members, they will appreciate having this before my estimates are reached.

Since we have not been establishing continuing eligibility and the arrangement that we have with the Federal Government makes it necessary for us to prove the eligibility of each recipient, if they are to share the costs, we must therefore, proceed to examine circumstances of nearly 17,000 recipients of supplemental allowance, and reassess them on the basis of need. Our Department is taking immediate steps to do this, and we'll be employing additional staff for this purpose during the summer months. In view of the time necessary for this reassessment,

March 20, 1961

November 1st is the earliest date at which the task can be fully completed, and is, therefore, the date at which the new level of supplemental allowances will go into effect. Recipients will receive their first increased cheque at the end of November. Present recipients of supplemental allowance who do not qualify under needs test will continue to receive an allowance and the related health benefits until such time as they become ineligible for one reason or another, or qualify under the needs test.

In the fiscal year of 1959-60 supplemental allowance recipients received allowances totalling \$1,127,000. For the portion of the fiscal year 1961-62 when the new program is in effect, it is estimated that the change will provide an additional \$893,000 for recipients. For the fiscal year 1962-63 the additional payments are estimated at \$2,144,460. Similarly need rather than means will be the future basis of establishing eligibility for mothers' allowance. With the change in focus the program will be known as Aid to Dependent Families. The change will in some cases result in an increased allowance for mothers with dependent children. The aid To Dependant Families program will go into effect July 1st, with the first cheque going out at the end of July. The first of July is an appropriate time to make this change, partly because with the termination of the school year, many sixteen-year-olds get jobs, and eighteen-year-olds who have been carried on the program because they've been attending school, are no longer eligible. Moreover, because circumstances of mothers with dependent children, unlike those of the supplement allowance recipients, do change as the children grow older, their records are, therefore reassessed yearly for continuing eligibility. Thus we have pertinent information on file. These facts, and the additional facts that there is a much smaller number of recipients than in the case of supplemental allowances, enable us to get the Aid to Dependent Families underway in July.

In converting the present mothers' allowance program to a needs test program, it will in effect become a social aid program. Since about 25% of the present mothers' allowance recipients are also recipients of social aid received from their municipalities, bringing the new program under the provision of the social aid program will eliminate the need to make two applications for assistance, and considerably reduce the administrative duties of a substantial number of municipalities. During the fiscal year of 1959-60 there were 2,242 mothers with 5,563 dependent children, a total of 7,805 mothers and children

who benefited under the mothers' allowance program to the extent of \$1,949,697. Similar to supplemental allowances, the health services provided by the Government to former mothers' allowance recipients, and their dependent children will be continued under the new program which like supplemental allowance will be administered by the province. Focussing eligibility under the Aid to Dependent Families program on needs rather than means brings it within the provision of the Federal Unemployment Assistance Act, with the consequent sharing of part of the expenditure by the Federal Government.

All present recipients of supplemental allowances and mothers' allowance will in due course be advised of the time and place when their circumstances will be reviewed to establish their eligibility under the change and new program.

Mr. Speaker, I do want to thank the Members for permitting me to make a statement which is longer, but as I explained before in order that the Members will have a chance to consider what is involved before my estimates come up, I thought it desirable to be made at the earliest possible date.

Copies are now available.

Mr. Cameron: — I wonder if he'd put that in 25 words or less so we could understand it.

Mr. Speaker: — I believe it was quite in order for the Minister to make an announcement of public interest regarding his Department and I think that the introduction that hon. Minister gave in regard to this does bring it into this category. Although I do think it is considerably longer than what we usually admit at this time, and I do not think that we should establish a precedent of this kind.

Mr. Danielson: — Mr. Speaker, don't forget about this thing sometime when I get on my feet.

Mr. McDonald: — Mr. Speaker, I wonder if the Minister would answer a question. Did I understand the Minister of Social Welfare to say that now the qualifications for receiving these benefits will be based on need and not on the financial circumstances?

March 20, 1961

Hon. Mr. Nicholson: — That's right, and again I think it is important that we shouldn't have a debate at this time, but to reply to the hon. Member I might say that roughly 25% of those who are receiving mothers' allowance do make two applications now. They make an application to our Department; they make an application to the municipality where they live for social aid. Also quite a large number of those who receive supplementary allowance, also make two applications to get the supplementary allowance and social aid. This change will make it possible for the maximum benefits to be made available with the one application rather than two.

Mr. McDonald: — Mr. Speaker, I would like to pursue this a little further.

Mr. Speaker: — We cannot debate the question at this time, but if you have a short question, and the Minister is able to give us a short answer.

Mr. McDonald: — Well I think if the Minister wants to put this information before the Members it is well for us to know just what it contains, and the importance of it. The Minister hasn't answered the question that I asked, and he can answer yes or no. I want to know if those people who are now applying for assistance, that when their case is being considered, it is not only the financial circumstances in which they find themselves, but the needs of the individual which will be taken into consideration. There are many people in need today, but your Department has refused to - -

Mr. Nicholson: — Mr. Speaker, I think it is important that we don't try to debate my estimates, but we are administering the Mothers' Allowance Act, which has been in effect since 1917, and

Mr. Speaker: — Order! I don't think it is quite in order for the hon. Member from Moosomin to bring in his opinion in regard to it.

CONGRATULATIONS TO REGINA PATS HOCKEY CLUB

Mr. Ed Whelan (Regina City): — Mr. Speaker, I am sure that Members of the House will join me in congratulating the Regina Pats Hockey Club for winning the Saskatchewan Junior Hockey Championship. The Pats are a colourful and a capable hockey club, and I am sure too, that we would all wish them luck in their quest for the Junior Hockey Championship of Canada.

The House adjourned at 10:00 o'clock p.m.