

Notes and Brief Reports

Canadian Act for Assistance to Disabled Persons*

A new Canadian Federal-Provincial social security program, providing monthly allowances not exceeding \$40 to persons aged 18 or over who are totally and permanently disabled, came into operation in January 1955.¹ The Federal Disabled Persons Act of June 26, 1954 (2-3 Elizabeth II, Chapter 55), and the Regulations follow an outline similar to those for old-age assistance and blindness allowances. The program was instituted not only for income-maintenance purposes but also to encourage home care of needy disabled persons, and it will be related also to rehabilitation measures.

Under the Federal act, implementation of the program in any Province is contingent upon the Province's passage of legislation and signing of an agreement with the Federal Government. This agreement enables the Minister of National Health and Welfare to reimburse the Provinces for payments to disabled persons provided certain Federal conditions are carried out. All 10 Provinces have indicated their willingness to participate.

Scope of the Program

Only persons who are totally and permanently disabled may receive aid under the new Canadian Federal legislation. The disability must be a major physical or mental impairment that is likely to continue during the lifetime of the applicant. The regulations clearly specify that, because of such major impairment, the applicant must be "severely limited in activities pertaining to self-care and normal living"; for example, they must be bedridden or chairfast,

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¹The Provinces of Newfoundland, Ontario, and Alberta have operated their own programs for needy disabled persons since 1949, 1952, and 1953, respectively. All three of these programs will continue and will now receive reimbursement from the Federal Government under the terms of the new Federal-Provincial scheme.

or in constant need of care and supervision.

Benefits and Eligibility

Within the limits of the Federal act each Province is free to fix the amount of the maximum allowance payable and the maximum income allowed, as well as other conditions of eligibility. The Federal Government's contribution per recipient cannot exceed 50 percent of \$40 per month or of the assistance paid, whichever is less.

The income limit stipulated in the Federal legislation for an unmarried person is \$720 a year, including the allowance. For a married couple the limit is \$1,200 a year, and if the spouse is blind within the meaning of the Blind Persons Act the aggregate income of the couple cannot exceed \$1,320 a year. The exact allowance payable in each case depends on the amount of outside income and the resources of the applicant and his spouse. Provincial authorities must agree, in administering any property test, not to ignore property transfers in the last 5 years before application if they believe the transfers were made in order to qualify for the allowance.

To be eligible for an allowance, an applicant must not be in receipt of an allowance under the Blind Persons Act, the Old Age Assistance Act, or the War Veterans Allowances Act, of a pension under the Old Age Security Act, or of a mother's allowance under Provincial legislation.

The applicant must have resided in Canada for at least 10 years immediately preceding the commencement of the allowance, but he may have certain temporary absences as set out in the Federal regulations. If the applicant has not so resided for the past 10 years, he must have been physically present in Canada, before the 10 years, "for an aggregate period equal to twice the total of the absences during the ten years." There are no citizenship requirements.

Persons in mental institutions, tuberculosis sanatoriums, homes for

the aged, infirmaries, or institutions for the care of incurables are not eligible for allowance. A recipient who is a resident in a nursing home or a private, charitable, or public institution and who is paying the greater part of the cost of his accommodation will be eligible for the allowance; if a recipient is a patient in a recognized public or private hospital, he will be paid the allowance provided that his residence in such a hospital does not exceed 62 days of treatment in any calendar year. When a recipient is a patient in a hospital for rehabilitation purposes, the allowance will be paid for the period of rehabilitation.

The Federal act stipulates that any recipient who unreasonably neglects or refuses to comply with or to avail himself of training, rehabilitation, or treatment measures or facilities provided by or available in the Province must have his allowance suspended.

Interprovincial Transfers

Agreements with the Provinces provide for the continuation of allowances to persons transferring from one Province to another. To determine which Province must ultimately bear the Provincial share of the cost, as distinct from the Province that issues the check, the following rule is applied. The Province in which the recipient lived for the greater part of the 3 years immediately preceding his application must pay the Provincial share for that individual no matter where the applicant may later live in Canada.

Administration

Each Province is required to submit a plan for the administration of its program, which must be approved by, and cannot be changed except with the consent of, the Governor-in-Council. The allowances are paid by the Province, with Federal reimbursement made through the Department of National Health and Welfare. The Old Age Assistance Division of that Department administers the Federal aspects of the program.

Amendment and Termination

Unilateral termination of an agreement may, after 10 years' notice, be effected by the Minister of National

Health and Welfare, with the approval of the Governor-in-Council. On the other hand, unilateral termination may be made at any time by the Provincial Legislature by repealing the Province's law. Amendment or termination may also be made by mutual consent; no time limit is specified.

1954 and 8 at the beginning of 1955 for those persons at least 25 years of age but less than age 65.

About 600,000 persons were currently but not fully insured on January 1, 1955. These persons had at least 6 quarters of coverage in the 3-year period preceding January 1, 1955, but did not meet the requirements for fully insured status on that date. Under the liberalized insured-status provisions of the 1950 amendments to the Social Security Act, the quarters of coverage required for fully insured status remained at 6 until July 1, 1954, so that before that date all currently insured individuals were also fully insured. Since the requirements for fully insured status will, in general, increase each year, the number of persons currently insured only is expected to increase during the next few years. The increase in the number currently insured only may level off slightly, however, because of the provision in the 1954 amendments by which an individual is deemed to be fully insured if all the quarters elapsing after 1954 are quarters of coverage, provided there are 6 such quarters.

An estimated 29.6 million workers had permanently insured status on January 1, 1955; this total is 2.1 million more than the number with such status on January 1, 1954. To be permanently insured, workers must have the number of quarters of coverage required for fully insured status when they reach age 65. Persons who attain age 65 after 1970 will need 40 quarters of coverage to be permanently insured. For persons who reach age 65 before 1971—that is, those at least 49 years of age on January 1, 1955—the required number of quarters will range from 39 down to 6 for those at the oldest ages. Once a person is permanently insured, he can, regardless of his future employment, qualify for old-age benefits at or after age 65; in the event of his death, his survivors can qualify for monthly benefits and/or lump-sum death payments. The distribution of workers who were permanently insured at the beginning of 1955 is shown by sex, age, and quarters-of-coverage requirement in the following tabulation.

Age on birthday in 1954	Quarters of coverage required for permanently insured status	Workers permanently insured on Jan. 1, 1955 (in millions)		
		Total	Male	Female
Total..	6-40.....	29.6	21.9	7.7
Under 49..	40.....	14.1	10.4	3.7
49-64.....	8-39.....	10.3	7.6	2.7
65 and over.	6 or 7.....	5.2	3.9	1.3

¹ About 3.8 million were receiving benefits at the end of 1954.

More than 42 percent of the workers who were fully insured at the beginning of 1955 were permanently insured. The requirements for permanently insured status are more liberal for older than for younger workers, as the following tabulation indicates.

Workers With Insured Status on January 1, 1955

At the beginning of 1955, approximately 69.8 million persons were fully insured under the old-age and

Table 1.—Workers fully insured at the beginning of each year, 1940-55

[Number in millions]

Year	Fully insured workers				
	Total number	Permanently insured workers			
		Total	Requiring less than 40 quarters of coverage	Requiring 40 quarters of coverage	Percent of fully insured
1940....	22.9	0.6	0.6	-----	2.6
1941....	24.2	1.1	1.1	-----	4.5
1942....	25.8	1.4	1.4	-----	5.4
1943....	28.1	1.8	1.8	-----	6.4
1944....	29.9	2.3	2.3	-----	7.7
1945....	31.9	2.8	2.8	-----	8.8
1946....	33.4	3.4	3.4	-----	10.2
1947....	35.4	8.6	3.8	4.8	24.3
1948....	37.3	11.6	4.0	7.6	31.1
1949....	38.9	13.2	4.0	9.2	33.9
1950....	40.1	14.9	4.0	10.9	37.2
1951....	59.8	21.0	14.0	7.0	35.1
1952....	62.6	22.9	14.3	8.6	36.6
1953....	67.7	25.4	15.1	10.3	37.5
1954....	70.8	27.4	15.4	12.1	38.7
1955....	69.8	29.6	15.5	14.1	42.4

survivors insurance program, a decrease of 0.9 million from the number a year earlier.¹ This drop resulted from an increase in the number of quarters of coverage required for fully insured status; 6 quarters were required at the beginning of

¹The estimates presented in this note are preliminary and are based on data through the calendar year 1953, derived from the 0.1-percent continuous work-history sample; none of the estimates of the insured populations has been adjusted to reflect changes in insurance status arising from (1) provisions that coordinate the old-age and survivors insurance and railroad retirement programs; and (2) wage credits for military service.

Age on birthday in 1954	Workers fully insured as of Jan. 1, 1955		
	Total number (in millions)	Permanently insured	
		Number (in millions)	Percent of fully insured
Total....	69.8	29.6	42
Under 49.....	50.2	14.1	28
49-64.....	14.4	10.3	72
65 and over.....	5.2	5.2	100

Table 1 compares the permanently insured group with the total fully insured population at the beginning of each year since 1940. During the period 1940-49 the growth each year in the number of persons fully insured was fairly regular, ranging between 1.2 million and 2.3 million. In 1950 a marked increase occurred, primarily as a result of the "new start" provision for insured status under the 1950 amendments. The extension of coverage under the 1950 amendments, effective in 1951, made it possible for many persons in the newly covered occupations to become insured for the first time in 1952 and thus contributed to the unusually large increase in the number fully insured during that year.

Because the number of quarters of coverage required for fully insured status will, in general, increase each year until 1971, the difference will be narrowed between the number of quarters of coverage required for

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