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NORTHWEST TERRITORIES

SESSIONAL PAPER NO. 14
(First Session, 1966)

THE CANADA ASSISTANCE PLAN

DISPOSITION

Accepted as Read.....
Amended.....See Text
Rejected.....See Text
Deferred.....See Text
Not Considered.

THE CANADA ASSISTANCE PLAN

I. Background

Responsibility for providing welfare services was given to the Provinces by the British North America Act and, with a few exceptions, has continued to rest with them. In 1951, legislation enabling the Federal Government to share the cost of providing financial assistance to persons aged 65 years and over and to blind persons was enacted. In 1954 a similar provision was made for sharing the cost of financial assistance to disabled persons.

The Federal legislation was such that Provinces could enter into agreements under which the Federal Government would reimburse a fixed percentage of a Province's expenditures on financial assistance to persons who were eligible in accordance with Federal regulations. The effect was to establish uniform allowances and criteria of eligibility throughout Canada, although administration of the programs remained with each Provincial Government. The Government of the Northwest Territories entered into agreements with the Federal Government whereby Old Age Assistance, Blind Persons Allowance, and Disabled Persons Allowance were paid by the Territorial Government to eligible persons living in the Northwest Territories including Eskimos and Registered Indians.

In 1956 the Federal Government enacted the Unemployment Assistance Act, through which the Federal Government could share in the cost of providing public assistance to unemployed persons. Unlike the previously mentioned Old Age Assistance, Blind Persons Allowance and Disabled Persons Allowance Acts, the Unemployment Assistance Act did not rigidly establish eligibility requirements or maximum amounts payable to recipients. These were largely left to the Provinces to determine. As a result, the programs varied considerably from Province to Province. The Government of the Northwest Territories entered into an agreement with the Federal Government under which Social Assistance was provided to eligible persons in the Northwest Territories other than Eskimos and Registered Indians.

In recent years the Federal and Provincial Governments have recognized the limitations of the foregoing programs and have considered ways of introducing more flexibility and equality into them. The goal has been to make it possible for the Provincial Governments to improve their welfare services by extending the range of activities for which the Federal Government will share the cost. The proposal, which is expected to be introduced into the Federal House in the near future and which is intended to achieve this end is called the Canada Assistance Plan.

II. Provisions of the Canada Assistance Plan

The detailed provisions of the Canada Assistance Plan will not be known until the Federal legislation establishing the Plan has been enacted. However, the following provisions have been discussed with the Provincial Governments and are expected to be included in the Plan.

- (a) A comprehensive program of general assistance that would meet the varying requirements of different groups within a single program and administrative framework. The emphasis would then be on a single assistance program although Provinces would be free to retain some or all of the existing

categorical programs (Old Age Assistance, Blind Persons Allowance, Disabled Persons Allowance) for some time.

- (b) Eligibility will be determined by a needs test in all cases.
- (c) Federal contributions to the cost of all persons in need. Thus Federal contributions will be extended to include benefits paid to fully employed persons. The Territorial Social Assistance program is now based on need and thereby provides assistance as needed to fully employed persons, to partially employed persons, or totally unemployed persons. The application of the Plan will therefore not substantially affect the Social Assistance Program, but will enable it to be broadened to include certain categories of need not now included -- e.g. non-ward care.
- (d) Federal sharing in new administrative costs -- i.e., staff and welfare services. This will provide financial assistance to enable the Provinces to extend their services and make provincial programs more effective in helping people to develop their capacity to become as independent as possible.

Appendix A contains further details on the cost sharing provision under the Plan.

III. Administrative Considerations

A. Staff

The Canada Assistance Plan will place new demands on the administrative structure and on the staff dealing with clients. This will likely result in an increase in the staff required to administer the program and will certainly require that staff persons be well trained. Additional clerical help to maintain the records from which the validity of claims for reimbursement from the Federal Government can be established will likely be required.

B. Appeal Procedure

A procedure through which dissatisfied applicants can appeal decisions affecting them will be required, as will be a record of the receipt of and the subsequent handling of each application. The present practice of determining eligibility on a monthly basis may have to be modified.

C. Extension of Territorial Welfare Services to Eskimos and Indians

The question of the extension of benefits under the Canada Assistance Plan to Registered Indians and Eskimos is one that will require much thought. The Territorial Government now provides Old Age Assistance, Blind Persons Allowance and Disabled Persons Allowance to Registered Indians, Eskimos and others. The Territorial Government is, therefore, not free to discontinue these programs and replace them with a general assistance program unless it is prepared to provide social assistance to Registered Indians and Eskimos or discontinue payments to Registered Indians and Eskimos who would be eligible for benefits under the categorical programs. The first course of action would result in a considerable increase in Territorial social assistance costs. On the other hand, discontinuing present services to Registered Indians and Eskimos would leave the Territorial Government open to charges of discrimination and would be regarded as a retrograde step at a time when Provincial Governments are being encouraged to accept responsibility for welfare services for Indians.

Conclusions

The Canada Assistance Plan represents a comprehensive and promising new approach to the development of better public welfare measures and services in Canada. It is made up of an articulate set of provisions, which if accepted, will make it possible to extend current boundaries of federal cost-sharing in this field.

The Plan was developed primarily with the Provinces in mind and its provisions tend to reflect existing provincial public welfare structures. The Plan can be adapted to fit the current structure of public welfare services in the N.W.T. However, it is clear that maximum advantage from the Plan will come only when the N.W.T. has its own welfare services and functions along more or less conventional provincial lines.

The present division of responsibility along ethnic lines for the administration of public welfare programs in the N.W.T. poses certain problems in the application of some provisions under the Plan. In this connection the Territorial Government should propose to the Government of Canada to have all welfare programs administered by the Territorial Government.

STATEMENT OF CANADA ASSISTANCE PLANBACKGROUND

The basic elements of the Plan which have gained general acceptance are as follows:

(a) There is general agreement that in provincial programs to be shared under the Plan eligibility should be determined by a needs test in all cases. This means that for programs coming under the C.A.P. the means test which characterizes the present categorical programs and certain provincial programs will be replaced. This will help to ensure that the amount of assistance to be paid will be more closely related to the actual need of the applicant, since the payment will be determined on the basis of an examination of his requirements and his available resources.

(b) There is general agreement that the Plan should provide for a comprehensive program of general assistance that would meet the varying requirements of different groups within a single program and administrative framework. The emphasis then would be on a single assistance program although certain Provinces have indicated that they wish to retain some or all of the existing categorical programs for some time. This will be a matter for decision by the Provinces and federal support for the categorical programs will continue at the option of the provinces.

(c) It has generally been agreed that the Plan should provide for federal contributions to the cost of assistance to all persons in need. From the federal point of view this means that federal contributions will extend to Mothers' Allowances programs and, at the option of the Provinces, to fully employed persons, the two major groups excluded under the present Unemployment Assistance Act.

(d) It has been agreed that the Plan should provide for sharing in new costs of staff and welfare services. Although the basis for determining such sharing has not yet been fully defined, this provision will provide substantial assistance, on a statutory basis, to the Provinces in extending their services and in ensuring that provincial programs can become more effective in assisting people to develop their capacity to become as independent as possible.

In order to have the benefit of an exchange of views with the Provinces in the development of the Plan, departmental officials have visited all Provinces and have met with senior officials for intensive discussions. These talks have been very helpful in ensuring that the Plan when finally presented in legislative form will be the most effective instrument possible under present conditions. Work is proceeding on the drafting of legislation, with a view to the implementation of the Plan on April 1st, 1966.

The Federal Government has announced proposals for a national medicare program. The C.A.P. provides for federal contributions towards the cost of providing health care services to persons in need. This provision is included in the Plan in recognition of the integral part that such services have in comprehensive public assistance programs. It has been clearly stated that the Plan will provide for discontinuing federal sharing in health care costs to the extent that such costs are covered by future medicare programs. When the medicare program is implemented it will result in the transfer from the Canada Assistance Plan of medical costs covered under the medicare program, notably physicians' services. However, other health care costs would remain under the Canada Assistance Plan, such as dental and optical care, drugs, prosthetic appliances and other associated services, until such time as new federal-provincial arrangements for their coverage are also developed.

PURPOSES AND COVERAGE OF THE PLAN

Purposes

It may be useful, at this stage, to set out the general purposes of the Plan. It is intended that the Canada Assistance Plan will provide the basis for federal encouragement and support of adequate public assistance programs throughout Canada. The Plan represents federal recognition that public assistance and its associated welfare services have an important and positive role to play in attacking poverty and the effects of poverty on the economic and social well-being of Canadians.

In the past, public assistance programs have changed with changing economic conditions and with public attitudes towards poverty and the methods of combatting it. Since such changes are likely to be no less rapid in the future, it will be essential that the Plan be sufficiently flexible that it can respond to desirable changes in provincial and municipal public assistance programs.

As an anti-poverty measure, the Plan will cover, in addition to material aid, supporting health care and welfare services which should be an integral part of effective public assistance programs. Such services will not be limited to persons who are actually in receipt of material aid. They will be available to individuals and families in need who, in the absence of such services, are likely to lose their capacity for self-support and to become dependent on public funds.

In the light of the foregoing, the following are among the more specific purposes of the Canada Assistance Plan:

- (1) to enable the Provinces to develop comprehensive and flexible public assistance programs through which they can provide aid to persons in need.
- (2) to promote the provision of adequate levels of public assistance and higher standards of welfare services.
- (3) to fill certain major gaps in the coverage of existing federal-provincial public assistance programs, notably the exclusion of needy mothers with dependent children, and of health care costs.
- (4) to support the provision of welfare services to persons in order to alleviate or prevent dependency.
- (5) to support community development measures designed to stimulate social and economic improvement, with the object of reducing the need for public assistance.
- (6) to encourage the better co-ordination of public assistance programs with other economic and social measures.
- (7) to promote, through the use of national statistics and other means, a better understanding of the causes, extent and effects of poverty.
- (8) to provide, in collaboration with the Department of Labour, for federal sharing in work activity programs, - such programs to include various types of sheltered work designed either to increase the capacity of public assistance recipients, or persons likely to become public assistance recipients, to take advantage of employment-oriented programs or to provide socially useful work for persons with little or no prospect of entering the normal labour market.
- (9) to provide, in conjunction with the Department of Citizenship and Immigration, for federal sharing in the costs to Provinces and municipalities of assistance and welfare services provided to Indians with reserve status in order to promote the provision of help to them through programs established for the general population.

(10) to replace the Unemployment Assistance Act (though it is not proposed that the Unemployment Assistance Act be repealed until all provinces have signed agreements under the Canada Assistance Plan) and, at the option of the provinces, to cover those groups now aided under the Old Age Assistance Act, the Blind Persons Act and the Disabled Persons Act.

(11) to enable the Department of National Health and Welfare to participate with the Provinces in the achievement of effective administration of public welfare programs through the use of program and administrative plans, consultative services, and other liaison arrangements.

Persons Covered

The Canada Assistance Plan will provide for federal sharing in costs of assistance and services to persons in need, including the following:

- (1) persons requiring general welfare assistance and/or health care and welfare services;
- (2) persons requiring care in welfare institutions or "homes for special care";
- (3) persons receiving income maintenance benefits under the Canada Pension Plan, old age security, unemployment insurance, and other social insurance measures who require supplementary aid;
- (4) children requiring care in assistance-type foster homes under specified conditions;
- (5) persons engaged in approved work activity programs;
- (6) Indians with reserve status.

Types of Costs Covered

Shareable costs under the Plan are to include:

- (1) payments to meet the basic requirements of persons in need, including food, clothing, shelter, fuels and utilities, and household and personal needs;
- (2) items of special need, such as household equipment and expenses associated with education, training or securing employment;
- (3) board payments on behalf of children in assistance-type foster homes;
- (4) institutional care in homes for special care;
- (5) specific travel costs of assistance recipients, including those of recipients who can meet all of their basic needs except those for travel;
- (6) costs of funerals and burials for indigents;
- (7) health care services;
- (8) ancillary and supportive services, such as visiting homemakers and day-care services which are designed to alleviate hardship or prevent dependency;
- (9) work activity allowances and other costs associated with work activity projects;
- (10) costs of strengthening public assistance programs and services, such as additional and better qualified staffs, program evaluation and staff training;
- (11) community development services designed to reduce dependency.