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James Struthers

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See table of contents

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Article abstract

This article examines the emergence of means-tested old age pensions in Ontario in the context of the Great Depression and World War II. Ontario's old age pension scheme, it argues, was launched in 1929 with weak political commitment, little bureaucratic-preparation, and an almost complete absence of administrative experience at the provincial and municipal level in assessing and responding to need on a mass scale. The article examines the complex interplay among federal, provincial, and local government authorities in the politics of pension administration throughout the 1929-1945 era, arguing that local control of pension decision-making in the early years of the Depression provided two divergent models of pension entitlement both as charity and as an earned social right. After 1933 governments at both the provincial and federal level centralized decision-making over pension administration in order to standardize and restrict pension entitlement, contain its rapidly rising costs, and enforce more efficiently the concept of parental maintenance upon children. World War II undermined the concept of pensions as charity by broadly expanding the boundaries of entitlement both for the elderly and their children. By 1945 means-tested pensions had few supporters within or outside of government, laying the basis for the emergence of a universal system of old age security in 1951.

Regulating the Elderly: Old Age Pensions and the formation of a pension bureaucracy in Ontario, 1929-1945

JAMES STRUTHERS

Résumé

This article examines the emergence of means-tested old age pensions in Ontario in the context of the Great Depression and World War II. Ontario's old age pension scheme, it argues, was launched in 1929 with weak political commitment, little bureaucratic preparation, and an almost complete absence of administrative experience at the provincial and municipal level in assessing and responding to need on a mass scale. The article examines the complex interplay among federal, provincial, and local government authorities in the politics of pension administration throughout the 1929-1945 era, arguing that local control of pension decision-making in the early years of the Depression provided two divergent models of pension entitlement both as charity and as an earned social right. After 1933 governments at both the provincial and federal level centralized decision-making over pension administration in order to standardize and restrict pension entitlement, contain its rapidly rising costs, and enforce more efficiently the concept of parental maintenance upon children. World War II undermined the concept of pensions as charity by broadly expanding the boundaries of entitlement both for the elderly and their children. By 1945 means-tested pensions had few supporters within or outside of government, laying the basis for the emergence of a universal system of old age security in 1951.

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Cet article porte sur les premières années de l'histoire des pensions de vieillesse après enquête financière sur les ressources (means-tested) versées aux Ontariens durant la Crise et la Deuxième Guerre mondiale. Il tente de montrer que c'est avec peu de conviction politique que le programme de pensions ontarien fut mis en vigueur en 1929: peu de préparation bureaucratique et un contexte, tant au niveau provincial qu'au niveau municipal, d'absence quasi totale de l'expérience administrative nécessaire à la mise sur pied d'un mécanisme massif d'évaluation des besoins et de réponse à ceux-ci. Un

This article forms part of a larger study, "The Limits of Affluence: Welfare in Ontario, 1918-1970" which I have completed for the Ontario Historical Studies Series. I would like to thank the OHSS and the SSHRC for their financial support of the research for this project. I also wish to thank James G. Snell for his comments on an earlier draft of this article.

examen des relations complexes entre les autorités fédérales, provinciales et municipales mises en branle dans les premières quinze années du programme montre qu'au cours des premières années de la Crise, les autorités locales contrôlèrent les décisions d'allocations de pensions et ce selon deux modèles divergents, celui de la charité et celui des droits sociaux acquis. Après 1933 cependant, les gouvernements provincial et fédéral centralisèrent et uniformisèrent le processus de décision en vue tout à la fois de réduire le nombre des prestations, de contrôles l'accroissement rapide des coûts du programme et, pour ce faire, de redonner vigueur à l'idée de l'obligation qu'ont les enfants d'entretenir leurs parents. Au cours de la Deuxième Guerre mondiale, l'idée d'associer ces pensions à la charité perdit des plumes alors que les conceptions des droits des enfants et des personnes âgés gagnèrent en popularité. Après 1945, les enquête financières sur les ressources (means-tests) ne récoltaient plus qu'un support minime chez les membres du gouvernement et dans l'ensemble de la population, si bien que les fondements de l'émergence du système de pension universel de 1951 étaient jetées.

Old age in early twentieth century Ontario was for many, if not most, of the province's elderly a time of poverty, physical and economic insecurity, and social marginalization. Private pensions were few, public pensions non-existent, and the scant institutional accomodation for the indigent aged in county and city Houses of Refuge sparked justified feelings of terror in the hearts of those facing the uncertain prospects of their final years. "What an awful thing it is for some of us," one retired London Ontario school teacher, pleading for an old age pension scheme, wrote to the federal government in 1925:

> who, through illness, losses, etc arrived at old age WITHOUT ANYTHING to live on and no one to show the least concern as to what becomes of us! . . . Thousands have no children — nor anyone else to look after them. I am one of the thousands . . . I am seventy-three, not in good health . . . but struggling for existence daily. SEVENTY-FIVE cents is the amount that stands between me and starvation . . . I do not want to beg. . . . Often the only resource for men who have lived useful lives . . . is to go to one of . . . those horrible, abominable institutions, the county poor houses, most of them run in a way that is shocking and a crying disgrace to a civilized and supposedly Christian community — those PLAGUESPOTS of the universe as someone has called them. They may do for some of the feeble minded and for sots, but certainly are not places for decent citizens.[1]

Two years later, through what has now become a classic story in the history of Canadian social democracy, "decent citizens" facing old age such as the gentlemen cited above, received an alternative to the poor house when Canada's first national old age pension scheme was inaugurated by the King administration in return for the strategic support, in a hung Parliament, of two independent labour M.P.'s, J. S. Woodsworth and A. A. Heaps.[2]

1. Canada. National Archives (NA), RG29, Records of the Department of National Health and Welfare, Vol. 127, File 208-1-18, anonymous letter to James Murdock, Minister of Labour, 30 March 1925 (original emphasis).
2. On the coming of Canada's first old age pension scheme see Kenneth Bryden's classic study *Old Age Pensions and Policy-Making in Canada* (Montreal, 1974), and more recently, Ann

Although the launching of old age pensions, as with much else in the history of Canadian social policy, has received considerable analysis at the national level, almost nothing has been written about how this means-tested scheme was actually developed and administered by provinces and local governments in its formative years. A close examination of the launching of public pensions in Ontario between 1929 and the early 1940s provides a fascinating case study in social policy for a variety of reasons. In the first place, old age pensions were our first major cost-shared federal-provincial program in the social policy field and one which had a number of peculiar wrinkles. In Ontario, municipalities and county councils were partners in pension financing, administration, and investigation during the scheme's early years. Thus, like unemployment relief during the Great Depression, old age pensions in Ontario began as a three-way partnership among the federal, provincial, and local governments but unlike relief, pensions became an area where any real local autonomy was effectively terminated within four years of the scheme's inauguration. Moreover, old age pensions represented the only cost-shared program in which Ottawa, after 1931, paid 75 per cent of the costs, but had relatively little say in how the program was administered, a discrepancy which became the source of much frustration within the federal Department of Finance.

Secondly, old age pensions also represented Ontario's first major acceptance of responsibility for the aged but, as will be seen, both the legislation and its administration embodied contradictory ideals. On the one hand, pensions were justified as a "reward" or "right" of citizenship for elderly citizens age 70 and over, who were in need and had served their country. At the same time, pensions also incorporated and increasingly refined the concept of parental maintenance, enshrined in Ontario's earlier Parents' Maintenance Act of 1921, which held children financially and legally responsible for the support of their aged mothers and fathers.

Thirdly, although old age pensions were initiated by Ottawa at the peak of late 1920s prosperity, in Ontario the scheme was launched and administered during the first year of the Great Depression. In other words, the idea of a new social right for the elderly enjoyed its baptism of fire during the worst economic crisis in our history; and throughout the 1930s the exigencies of fiscal crisis profoundly shaped the administrative bureaucracy which grew up within Ontario's pension scheme.

Fourthly, pensions were also Ontario's and Canada's first "gender inclusive" social program. Unlike mothers' allowances, which paid monthly pensions to widows in need beginning in 1920, or unemployment relief which, in the early years of the 1930s, excluded most women from eligibility, old age pensions were paid from the start to both men *and* women. However, as with the concept of parental maintenance, the gender politics of pensions were inextricably entangled with the ideal of a family income and the reality of women's more irregular attachment to and earlier withdrawal from the labour market. In other words, gender played an important role in limiting and constraining the entitlement of women to state support in their old age.

Shola Orloff, "The Politics of Pensions: A Comparative Analysis of the Origins of Pensions and Old Age Insurance in Canada, Great Britain, and the United States, 1880s-1930s," (unpublished Ph.D dissertation, Princeton University, 1985).

Finally, old age pensions in Ontario were launched with extreme reluctance and scant political support by a provincial government which possessed little administrative competence, bureaucratic preparation, or knowledge of the field into which it was embarking. This was clearly a policy initiative forced upon Ontario by Ottawa, and almost immediately the provincial government was quickly overwhelmed by the magnitude of need pensions revealed amongst its elderly and by the administrative and fiscal demands this new program placed upon the provincial and local state structure.

The early history of old age pensions in Ontario, then, is highly revealing of the difficulties and the conflicting priorities involved in building an administrative state in the social policy field. Old age pensions started out with a significant degree of local control and a remarkable amount of diversity and experimentation at the local level in interpreting the meaning of social entitlement for the elderly. Very quickly, however, local autonomy was first constrained and then eliminated through a process of administrative centralization that had little to do with improving or protecting the rights of Ontario's aged poor.

What, briefly, was the lot of the Ontario's elderly before old age pensions began? About ten per cent of the province's population was over age 60 in 1921, while 3.5 per cent (or about 100,000 Ontarians) were age 70 or over in the 1920 — the target population for pensions. Prior to the advent of pensions, however, no more than 10,000 at the most made any claim against provincial or local authorities for support. About 3,500 filled up County and Municipal Houses of Refuge, and almost an equal number received provincial subsidies for their care in charitable homes for the aged. Another seven hundred senile elderly resided within Ontario's mental institutions, while an indeterminate number of elderly poor men enjoyed the hospitality of local jails as indigent vagrants during the coldest winter months: so many, in fact, that police magistrates were among Ontario's most vigorous lobbyists for old age pensions in the 1920s.[3]

Men predominated within county houses of refuge, which were in fact poor farms, reflecting the migratory nature of the male farm labour force. In the city refuges and homes for the aged, on the other hand, women were in the majority, usually as a result of their unemployability and the absence of a male wage earner through widowhood, desertion, or failure to marry.[4] The vast majority of Ontario's elderly, in other words,

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3. Bryden, *Old Age Pensions and Policy-Making in Canada*, 30, 36; Toronto. Metropolitan Toronto Records and Archives (MRA), RG5.1, Commissioner of Public Welfare Records, File 48, graph, "Distribution of Population by Age: Ontario 1901-1961;" Ontario. Archives (AO), RG8, Provincial Secretary, Series II-10-F Box 1 File 14, Charts on Charitable Institutions and Houses of Refuge, May 1928; Ontario, AO, Department of Public Welfare, *Annual Report*, 1939-40 "Statistical Chart - Houses of Refuge." Those over sixty also comprised about twenty percent of the population of Ontario's mental health institutions. About 700 senile elderly were housed in these chronically overcrowded institutions. See Harvey G. Simmons, *Unbalanced: Mental Health Policy in Ontario, 1930-1989* (Toronto, 1990), 4, 38.
4. AO, Ontario, Department of Public Welfare, *Annual Report*, "Report of Refuges, Statistical Summary, January 1 — December 31 1939."

either lived on their own or with their children without any support from government. A perusal of almost two hundred pension applications in Lincoln County during the 1930s, for example, reveals that although 70 per cent of applicants had children who were alive at the time of their application, two-thirds were living on their own or with their spouses. An identical proportion were either widowed or single. Their average age was 73. A sample of over one hundred pension applications within the city of London, however, shows 60 per cent of the elderly living with family members, about two-thirds of this number with their daughters, who were twice as likely to be single rather than married.[5]

That many of Ontario's elderly were in dire straits prior to the coming of pensions in 1929 is clearly evident through an examination of their correspondence with government, in letters they sent seeking entry into municipal refuges and old age homes, all of which had long waiting lists, and in the information contained on their initial pension applications. Widowhood, desertion, or simple failure to marry were all fast tracks to pauperism for elderly females as the predominance of women in urban refuges indicates. Older women without a male breadwinner faced grim prospects in a labour market in which less than five per cent of their gender over age 65 found employment.[6] "I cannot work, at my age, 75 years. Broken. Think I am not able for it. I am a widow, no home of my own," one woman told the directors of a London Old Age Home. "She is 76 . . . and has been earning her own living selling crochet work but is not able to maintain herself any longer. Her husband took her two children away to Scotland when they were very small . . . She has no means whatsoever," a neighbour wrote on behalf of another applicant seeking asylum. "I was a dressmaker," wrote a third woman. " . . . I helped my sister at that business before she married . . . Her husband does not care to keep me and I cannot get work to do on account of being deaf." Or this letter from a son: "I am writing to ask if you can do something about my mother and father in law. I want to put them in the Home. I have kept them nearly two years now. I am not able to keep them any longer as my family is too large. I have eight children home. I can't do justice to

5. AO, RG21, Municipal Records, Lincoln County Pensions/Mothers' Allowance Commission, 1937-1947, Case Records, Old Age Pensions; London. University of Western Ontario Weldon Library, (UWO), Regional History Collection, London Welfare Department Records, Box B419, "Old Age Pension Applications — Correspondence A — Z." One hundred and ten old age pension applications, between the years 1934-37, were examined in this collection. The impact of the Depression on the London Ontario sample undoubtedly accounts for the high percentage of pension applicants living with their children. Notations on these applications reveal that living together was a deliberate family strategy for coping with financial crisis. For example: "Applicant's daughter and son in law have cared for her for a number of years, also paying the interest and taxes, in exchange for the use of part of the applicant's home," S.B., 8 February 1936, or " . . . at present the married daughter and her husband are staying with her, but expect to take a place by themselves," S.B., 23 October 1935, or " . . . he claims his daughter promised to remain at home and care for him so he transferred the house to her . . . ," W.A., 2 March 1937, and so on.

6. J. R. Podoluk, "Income Characteristics of the Older Population," testimony to Canada, Senate, Special Senate Committee on Aging, 22 October 1964, Appendix "U-1," 1252.

my family and support the old people."[7] And so on. County refuges and most old age homes were not, by any stretch of the imagination, desirable places to eke out the remaining years of one's life. Yet in the absence of any alternatives, many of Ontario's aged had little choice but to plead to get in.

Pension applications sent to local Boards like Lincoln County's when the scheme was first established provide further insight into the plight of Ontario's elderly before they qualified for any sort of pension. The overwhelming evidence from these files is the extent to which ill-health drove them into poverty in the years leading up to their pension eligibility. Forty-two per cent of pension applicants, from the surviving case files of this local board, were either sick or chronically disabled and unable to work at the time of their initial application. Twenty-eight per cent had exhausted all their financial resources and were completely indigent, possessing no income, property, or savings of any kind when they applied. Although another third owned their own homes, most often these were farms which they were no longer capable of working. Many, no longer able to pay taxes, had turned these properties over to their children in return for guarantees of care. Most male applicants with some income earned only sporadically, either through casual farm labour, or through small businesses such as barbering, sales, or repair work which, frequently operating out of their own homes, had dwindled almost to the vanishing point by the time of their application. Women did housekeeping, took in washing, or most commonly rented out rooms to boarders when they had homes. Indeed, since home ownership was the asset most widely available to the elderly, income from boarders (whether from outside the family or their own adult children) provided the most frequent form of earnings reported. During the Depression, unemployed children, no longer able to provide their elderly parents with financial help, often moved in with them and paid rent or provided caregiving in return for shelter.[8]

Meagre as they were — and no one argued in the 1920s that the $20 maximum monthly pension, based arbitrarily upon Australia's similar non-contributory pension scheme,[9] provided even close to a living income for anyone with no other resources —

7. UWO, London Welfare Department Records, Box B411, "Correspondence — Re Admissions to Hospitals and Nursing Homes, 1912-1919 A-Z; 1929-1944 A-L," S.C. to city council, 3 October 1913; M.A. to relief inspector Saunders, 25 October 1930; Inspector McCallum to city council re M.C., 23 March 1920; J.C. to city clerk, 7 November 1913.
8. AO, RG21, Lincoln County Pensions/Mothers' Allowance Commission, 1937-1947, Case Records, Old Age Pensions. Calculations and conclusions are taken from a detailed examination of the 195 surviving case files of this Commission which comprise all old age pension applicants in Lincoln County who had last names beginning with the letters G — O between the years 1937-1947.
9. Canada, House of Commons, *Second and Final Report of the Special Committee on Old Age Pensions*, 1 July 1924, 63-66. Labour witnesses testifying to the Parliamentary Committee agreed that it would be politically expedient to begin the scheme on a modest basis, providing "relief" rather than an "adequate amount." "[E]xperience is the great teacher and . . . it may be wiser at the beginning to set a sum below the worthy minimum — half a loaf is better than no loaf at all and the experience gained may point the way to a full loaf," union representatives conceded. Australian non-contributory pensions paid a maximum of $19 a month Canadian in the 1920s.

old age pensions came as a godsend to many of Ontario's aged poor, representing the only barrier standing between them and the poorhouse. "I cannot express my gratitude enough," one elderly widow wrote to Queen's Park upon first receiving her pension. "I must tell you I was not able to get enough to eat last year and so you can guess how grateful I am for it."[10]

She was not alone. Yet thanking Howard Ferguson for old age pensions was more than a little ironic because it is clear that the Premier not only detested the scheme and was furious with Ottawa for introducing it, but he also delayed its implementation within Ontario for as long he could. Some writing to him in desperation for an old age pension scheme in the later 1920s, for example, were told to apply for admission to the county poorhouse if they were in real need.[11] Indeed, showing "for pensions all the enthusiasm of a man swallowing a distasteful medicine,"[12] the Ontario premier believed care of the aged belonged on the shoulders of either their own children, Ottawa, or local governments — anywhere but at Queen's Park — and it was only the fact that Ontario taxpayers were subsidizing the cost of federal old age pensions in the four western provinces that drove him in 1929 to bring in an old age pension bill for Ontario. Moreover, despite over two years of grace between the inauguration of Ottawa's cost-shared pension scheme and its implementation within Ontario in 1929, Ferguson's administration did little advance preparation or planning to prepare for or even accurately ascertain how many actually would need it. His government's best guess was that perhaps 20,000 Ontarians might apply. In fact, almost 40,000 were receiving a pension within the scheme's first year of operation.[13] It truly was Ontario's first great welfare program for the aged, greater by far than anyone in the government had dared to imagine.

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10. AO, RG6, Records of the Ministry of Treasury and Economics, Series 1-2, Box 23 File "Old Age Pensions, 1925-30," letter to Provincial Treasurer J. D. Monteith from A.C., 9 January 1930. Although most letters in this series express gratitude, some were more critical labelling the pension "a mere pittance to keep any old couple from . . . the poorhouse" and demanding a pension that would "give old people over seventy a chance to live a little above the starvation line." See J.R. to Monteith, 11 February 1929.
11. AO, RG3, Records of the Prime Ministers' Office, Ferguson Papers, Box 91, File "Old Age Pensions — 1926," Ferguson to R. J. Browne, 8 October 1926. Most often, though, Ferguson simply replied that old age pensions were too expensive and his government had other, more important fiscal priorities such as balancing the budget. See clipping from *Hamilton Spectator*, 24 March 1926.
12. Peter Oliver, *G. Howard Ferguson: Ontario Tory* (Toronto, 1977), 313-14.
13. Only in 1928, three years after he had promised Ottawa his government would begin the process, did Ferguson's administration begin to collect data on how many Ontarians might be eligible for an old age pension under the terms of the 1924 Parliamentary Committee report. The process Ontario used to determine this information provides a revealing glimpse into the incompetence and disorganization of the administrative state at the provincial level. Refuge directors across the province were asked how many of their inmates were age seventy or over and would be eligible if a pension of $20 a month was enacted. At the same time municipal and town clerks were sent a mail survey by the Bureau of Municipal Affairs during the spring and summer of 1928 asking them to estimate, from their assessment rolls, the numbers of elderly in their communities with annual incomes under $365, the cut-off point for pension eligibility under the federal scheme. When replies were not forthcoming, two officials from

Elderly Ontarians, Howard Ferguson told the Legislature in March 1929 upon introducing the scheme, would henceforth be "getting a pension as a matter of right." Pensions were "in no sense a charity or gratuity," the premier argued, "but a recognition of the obligation of the state to give a comfortable, decent, old age to the needy, elderly citizen who had put his best efforts into making his contribution to the upbuilding of the country."[14] For a politician who had denied any provincial responsibility for pensions when the federal scheme was introduced, these were indeed uplifting words, which mirrored in most respects, the arguments used by the Asquith government in Great Britain when a similar non-contributory old age pension scheme was first introduced in that country in 1908. But this rhetoric was also somewhat paradoxical given the meagre $20 monthly maximum set by the pension scheme, a maximum which relatively few of Ontario's elderly actually received because of a means test which continued to hold children with "sufficient" resources responsible for the support of their parents.

The rather cumbersome method Ferguson chose to adminster the plan also did not help. A central Old Age Pension Commission, located in Toronto, would make the final decision as to pension entitlement and would issue the cheques. But the initial applications, the investigation of eligibility, and the key recommendations as to whether a pension was justified, would be made by local pension boards, to be established by each county and municipal government within Ontario.[15]

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the Bureau were sent by car and train across the province to ferret out the information. The Bureau's final tally revealed, late in 1928, that 14,607 Ontarians would be eligible for a pension should Ontario implement the federal legislation, a figure later revised upwards in March 1929 to 20,665 when higher estimates from Toronto and the refuges were factored in. Even this latter figure was grossly wide of the mark, underestimating by almost one hundred percent Ontario's actual pension caseload of 39,925 during the scheme's first full year of operation in 1930. Since local officials were given no money to conduct their survey and were told by Queen's Park officials to ignore property-owners, and to assume "that not more than 30% of the balance [of those over seventy] would be eligible," this range of inaccuracy is hardly surprising. AO, RG8, Series II-10-F, Bureau of Municipal Affairs: Old Age Pension Commission, Box 1 File 5, circular from Bureau of Municipal Affairs, 10 May 1928; File 14, "Re Old Age Pensions No. Returns Received," November 1928; AO, MU 1034, Howard Ferguson Papers, (Private), Box 18 File 4, "Old Age Pensions in Ontario," J. A. Ellis to Ferguson, 22 March 1929; AO, COMSOC, Minister's Correspondence, 1939-1947, Reel #3, undated memo, circa 1937; Ontario. Department of Public Welfare *Annual Report*, 1947-48, chart 1, "Old Age Pensions," 9; AO, RG8 Series II-10-F, Box 3 File 23, "Windsor," J. A. Ellis to M. A. Dickinson, 28 May 1928 "Re Old Age Pensions."

14. AO, MU 1034, Ferguson Papers (Private), Box 18 File 4, "Old Age Pensions in Ontario," speech of Premier Ferguson in the Legislative Assembly, 21 March 1929. The idea of non-contributory pensions as an "earned" right of citizenship in reward for years of building up a nation became a prominent feature of the New Liberalism justifying Britain's old age pension scheme launched in 1908. See Orloff, "The Politics of Pensions," 111-12.

15. AO, RG3, Ferguson Papers, Box 107 File "Old Age Pensions, 1930," memo on "Old Age Pensions — Qualifications."

Ferguson's decision to entrust local communities with the core elements of pension administration was consistent with Ontario's tradition of local government responsibility for relief, but it also reflected the absence of a provincial structure for assessing need and, above all, the premier's desire to limit the potential costs of old age pensions. Local governments were to be held responsible for financing twenty per cent of the burden. "You know your own people best," he told the Legislature in introducing the bill. "Every move towards pensions should come from local sources where [the applicant's] circumstances are known, where they have all the machinery for investigating conditions . . . So we will have the cooperation of the neighbors, the local people who know all about the situation, furnishing the central board with the necessary information to enable them to come to a wise conclusion as to the payment of a pension."[16]

Ferguson's insistence on local control of pensions saddled the pension scheme with both severe administrative weaknesses and a major political contradiction from its inception. On the one hand, the benefits provided were explicitly characterized as a "right" rather than as state charity. On the other, this right was constrained not only by stringent federal eligibility criteria which, in effect, made near-pauperism the precondition for application, but also by the requirement that these criteria would be interpreted and applied by almost one hundred different local county and municipal boards according to their judgment of individual circumstances. How were these myriad local bodies, with no previous experience in social administration on such a vast scale and no common yardsticks or staff for such investigation, to apply even a semblance of comparable standards to the determination of need and eligibility among Ontario's aged poor?

As it turned out, they could not. Within Toronto, for example, where both labour representatives and women's groups had lobbied vociferously for old age pensions throughout the 1920s and subsequently exerted a strong influence on the local pension board that was established, the idea that pensions were a social right or reward for those who had built up the country was taken at face value. In its first year of operation Toronto's pension board granted a pension to 82 per cent of all those applying and in 94 per cent of these cases the full $20 maximum was recommended. Arguing that pensions were "a reward earned through contributions to the progress of our country" which would give the elderly a "certain degree of independence [and] lighten the financial burden of many a married son or daughter," in almost every case the board simply ignored the income of children when making their decisions.[17]

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16. AO, MU 1034, Box 18 File 4, "Old Age Pensions in Ontario," 21 March 1929.
17. NA, RG29 Vol. 137 File 208-5-5, "First Annual Report of the Toronto Old Age Pensions Board," 31 December 1929; "Second Annual Report of the Toronto Old Age Pensions Board," 31 December 1930. By the end of 1930 there were 6897 old age pensionsers in Toronto, 4226 were women and 2671 were men. The chairman of Toronto's Pension Board was John O'Connor, secretary of the Masonic Temple. Other members included Mrs. W. L. McFarland, past president of the Local Council of Women, John Dillon, a member of the Toronto Separate School Board, and C. M. Carrie, a member of the Toronto School Board. Its secretary and guiding spirit was Bert Merson. According to *Toronto Star* editorial writer and political radical, Margaret Gould, Merson's "connection with old age pensions dates back many years when as member of the Trades and Labour Council he, together with Tom Moore and others, strove to secure this valuable piece of legislation." Gould also noted that

Other communities, particularly in rural Ontario, did not share Toronto's liberal view of pension entitlement. In Stratford, pensions were denied to men "considered . . . still able to maintain [themselves] by working at [their] trade," no matter what their age. A woman in Deseronto lost her pension for "allowing drunks in her home." In Middlesex County, married couples saw their pensions cut back to $15 a month in 1931 on the grounds that a $30 monthly income for those able to "grow their own vegetables and . . . keep a few hens or a cow" was more than enough to keep any rural couple "quite comfortable and independent," a practice quickly adopted by most county boards across the province as a Depression austerity measure. Within other boards, federal auditors discovered that "where a man and his wife were both applicants, one would be granted the pension and the other refused, or . . . both pensions would be reduced to $10 each." Elderly women in Lanark county earning room and board as housekeepers were judged to have sufficient means not to need pensions.[18] Men, regardless of their age, were expected to keep working until physically unable to do so by most rural old age pension boards whose members had difficulty accepting the concept of unemployment when room and board, in return for labour, were available to some of the elderly. In contrast, urban pension boards like that in London appeared more willing simply to accept advanced old age itself as a legitimate reason for unemployment and pension eligibility.[19]

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when Toronto's pension board was first established, a conscious decision was made not to entrust its administration to the city relief officer. "It was placed instead in the health department which then had a family welfare division. The board has since functioned so as not to attach any relief stigma to the pensioner," *Toronto Star*, 19 October, 4 November 1937.

18. AO, RG6, Series I-2, Box 23, File "Old Age Pensions, 1935-30," Dr. D Jamieson to E. T. Dunlop, 13 December 1932; AO, RG3 Henry Papers, Box 143, File "Old Age Pensions, 1931," "Indignant Taxpayer" to Henry re Mrs. B.B., 6 July 1931; W. P. Martin to Henry, 5 October 1931; Pension Commission to Mrs. B.B., 7 October 1931, noting that her pension had been cancelled due to her "mode of living." "There are certain requisites for the granting of old age pensions and in your case these are not being met," the Commission told her. There was no reference in either federal or provincial pension legislation to "mode of living" as a criteria for entitlement; same box and file, Dr. D. Jamieson to Henry, 13 November 1931; NA, RG29, Vol. 137, File 208-5-5, E. A. Thomas to Peter Heenan, 4 April 1930; AO, RG21, Lanark County Old Age Pension Board Minutes, 1929-48, minutes of meetings 15 October 1929; 26 November 1929; 29 January 1930; 13 May 1931. Typical comments from these minutes were "having granted a full pension to your wife, the Board feel that you are able to earn sufficient to maintain yourself;" "having granted a pension to your wife, . . . your family should be able to support one of their parents;" "pension granted husband should be sufficient to live on;" "her position as housekeeper should ensure her maintenance;" "she is earning her living as housekeeper for her son;" and so on.

19. AO, RG21, Lincoln County Pensions/ Mothers' Allowance Commission, 1937-47, Case Records, Old Age Pensions. Commission members denied a pension to one seventy year old, for example, on the grounds that he was a "young man for his age, well preserved and well able to work." Another man of seventy-three with no savings or income was granted only a half-pension of ten dollars a month "as long as he is able to give assistance in return for his board." Similarly, a seventy-one year old woman, also with no wages or savings, was refused a pension because she was "receiving [her] keep for services as a housekeeper." See cases #1069 (8 June 1938); #1254 (12 February 1941); #1188 (8 May 1940), #1301 (9 April 1941); UWO, London Welfare Department Records, Box B419 "Old Age Pension Applications — Correspondence A — Z."

How much support children owed to their parents became the most controversial aspect of the means test. During the 1920s when legal action before a police magistrate was needed to bring the Parent's Maintenance Act into effect, it was seldom used.[20] With the creation of old age pensions, however, the issue of parental maintenance became a matter of discretionary administrative judgement by old age pension boards, not the courts. As already mentioned, Toronto's Board, which investigated 20 per cent of all pension applications within Ontario (a caseload larger than in any other single Canadian province) simply did not consider it in making their recommendations. Most other boards did, however, and in rural Ontario it was a critical factor in determining pension entitlement. Applicants who met all other age, residence, and personal income and property criteria routinely had their pensions reduced or denied, as board minutes put it, "on the ground that your immediate relatives are amply able to support their parents for some time yet." "You have two single sons living at home, and although temporarily out of employment, they should certainly be expected to contribute liberally for their board at least," one elderly man was told in a typical letter when his pension was cut early in the Depression. Where parents were living with their children, federal officials discovered, many local boards simply deducted "an arbitrary amount of $5 or $10 per month" from their benefits. Within Lincoln County, surviving case records reveal that almost one out of every four applicants with children had their pensions reduced or denied altogether by the local board on the grounds that their offspring were capable of provincial financial support, even if such help was not forthcoming. In in most cases, however, the board simply conceded in their pension decisions that the children "have all they can do to keep themselves."[21]

Despite the impact of the Depression and a pension caseload accelerating in 1931 beyond 40,000, far above the estimated peak of 21,000 when the bill was introduced, decisions such as these kept Ontario's pension burden well below that of other provinces. Although 3.5 per cent of Ontario's population was over age seventy compared to an average of only 1.5 per cent in the other provinces with pension schemes, only one out of every three Ontarians of pensionable age were able to qualify for assistance compared to more than one out of two in Alberta, British Columbia, and Manitoba and two out of three in Saskatchewan. Of those who did, most received less than the maximum pension of $20 per month. Ontario officials attributed this result to the greater degree of wealth and savings in their own province. Although this was undoubtedly a factor, so too was the parsimony of local boards.

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20. James G. Snell, "Filial Responsibility Laws in Canada: An Historical Study," *Canadian Journal on Aging*, 9 (1990): 268-277.

21. NA, RG29, Vol. 137, File 208-5-5, "3rd Annual Report of the Toronto Old Age Pension Board," 31 December 1931 (which for the first time lists ineligibility "due to parent's maintenance"); AO, RG21, Lanark County Old Age Pension Board Minutes, 1929-1948, 15 October 1929, 13 May 1931, 23 June 1931; RG3, Henry Papers, Box 154, File "Old Age Pensions, 1932," Dr. D. Jamieson to R.H., 5 February 1932; NA, RG29, Vol. 137 File 208-5-5, memo "Re Old Age Pensions — Province of Ontario," 4 March 1930; AO, RG21, Lincoln County Pensions/Mothers' Allowance Commission, 1937-1947, Case Records, Old Age Pensions. Quotation is from case #1301, 9 April 1941.

That was certainly Ottawa's viewpoint. Rural pension boards, some federal auditors complained, were "actually defeating the will of both Provincial and Federal parliaments" because "in not one single solitary instance of the cases examined in some of these counties [was] the maximum pension of $20 per month . . . paid." Although local boards did have discretionary powers to conduct a means test, "it was never intended they should decrease the maximum allowance from twenty dollars to fifteen dollars."[22]

Unlike the aged in western Canada, moreover, Ontario's elderly failed to develop any lasting associations or pressure groups of their own comparable to British Columbia's Old Age Pensioners' Organization formed in 1932, to lobby for a more liberal interpretation of pension regulations and entitlement throughout the entire era of means-tested old age pensions. As a consequence, although the average pension paid in Ontario was about the same as in western Canada, a conservative senior pension bureaucracy, tight-fisted local boards, and a succession of provincial governments bent on retrenchment were able to keep the percentage of those qualifying for assistance lower than in any other province outside of P.E.I.[23]

To protests from their staff concerning the parsimony of local boards, senior pension administrators at both the federal and provincial levels turned a deaf ear. It was doubtful whether Ottawa had "any moral or legal right to question the matter of under payments" nor was it "good policy for the federal authorities to take any action," field staff were told by their superiors. Within the provincial pension bureaucracy, OAP Commission chairman Dr. David Jamieson instructed his employees "not to concern themselves with under payments but to watch carefully for over payments." For those elderly getting less than they deserved from local boards, "the remedy lies in the hands of the pensioner himself." Since few pensioners understood how their pensions were

22. Ontario. Department of Public Welfare, *Annual Report*, 1930-31, 4-4; 11-12. By December 1932 the average monthly pension was $18.29; NA, RG29, Vol. 137, File 208-5-5, memo on "Old Age Pensions: Province of Ontario," n.d. but *circa* 1933.

23. Bryden in *Old Age Pensions and Policy-Making in Canada*, 83, refers to a petition on pensions from a Toronto-based Old Age Pension Association in 1924, but no lasting record or evidence of this organization exists beyond this single reference. Ontario's first provincial organization of the elderly, the United Senior Citizens of Ontario, was not launched until 1956, 24 years later than the formation of British Columbia's Old Age Pensioners' Organization, AO, RG18, Records of Commissions and Committees, Series D-1-70, Box C121, Select Committee on Aging, Minutes of Hearings, 21 June 1965, submission of the United Senior Citizens of Ontario. Unlike in western Canada, the elderly as a pressure group appear to have played little role in the launching of Ontario's pension scheme in 1929. On the strong grassroots support for pensions in the west see Bryden, Old Age Pensions, 71-72, 81-83. On the significance of the aged as a political force in pension implementation and administration see James G. Snell, "From 'Old Folks' to 'Senior Citizens': the Elderly in Canada, 1900-1951," chapters 4 and 8, (forthcoming). Inter-provincial comparisons in pension benefits and take-up rates are from Snell, chapter 4, tables 4.4 and 4.5. I am indebted to James Snell for allowing me to read his forthcoming monograph.

calculated and there was no formal appeal process, nor any uniformity of pension decisions across the province, this was small comfort to Ontario's aged poor.[24]

As the number of pension applicants continued to soar far above initial expectations, reaching almost 60,000 by 1936 — 36 per cent of the population age 70 or over — the Ontario government became increasingly suspicious of the competence and impartiality of local pensions boards. Why were so many more of the aged applying for a pension? Much of the answer was provided by the Depression itself, which both thrust the elderly more quickly into the ranks of the unemployed and deprived their children of the income needed to assist them.[25] However, while acknowledging the Depression's impact, provincial and federal officials also continued to insist, much as they did with respect to local administration of unemployment relief, that favouritism, lax investigation, and sheer incompetence within local pension boards lay behind much of the soaring pension caseload. Beginning in 1933, then, senior levels of government moved to centralize pension decision-making and eliminate local autonomy in order to place a cap on the inexorably rising costs of the non-contributory scheme.

By then, Ontario's Department of Public Welfare, first organized in 1930 in response to the report of a provincial commission on public welfare, was beginning to put into place a more centralized structure for co-ordinating and regulating Ontario's diverse and rather haphazard provincial social policy framework, a task soon underscored by the burgeoning crisis of unemployment relief. The department's first minister, 44 year-old William Martin, was a newly-elected former Methodist clergyman from Brantford. His deputy minister, Milton Sorsoleil, was nearing the end of a long civil service career devoted mostly to developing technical and vocational education throughout the province. Both men remained deeply involved in the United Church and shared a common interest in juvenile deliquency. Neither had much experience in or aptitude for dealing with the burgeoning problems of the aged or the unemployed.[26]

Old age pension policy remained in the hands of Dr. David Jamieson, the elderly chairman of both Ontario's Mothers' Allowance and Old Age Pension Commissions. Although trained as a doctor, Jamieson was in fact a veteran Tory politician first elected to the provincial legislature in 1898. A former rural reeve and gentleman farmer from Durham, Ontario, he had served faithfully in the caucus of James Whitney and William Hearst and was also speaker of the legislature during World War 1. After the Conserv-

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24. NA, RG29, Vol. 137, File 208-5-5, memo to the deputy minister "Re Old Age Pensions — Ontario," 19 March 1930; E. A. Thomas to H. H. Ward, 23 March 1930; E. A. Thomas to Peter Heenan, 4 April 1930.
25. AO, Department of Public Welfare, *Annual Report*, 1934-35, 3; *Annual Report*, 1939-40, 15. As the *Annual Report* for 1933-34 noted, "many pensioners have families of sons and daughters who, under normal circumstances, would be able and willing to maintain or assist in the support of their aged parents, but on account of unemployment . . . are unable to do so. Our experience in endeavouring to enforce the Parents' Maintenance Act has not been at all satisfactory. We have found that in over 90% of the cases brought before Magistrates, no order was made against the children," 14-15.
26. Clifford Williams, *Decades of Service: a History of the Ontario Ministry of Community and Social Services, 1930-1980* (Toronto, 1984), 4-6.

atives returned to power under Howard Ferguson in 1923, Jamieson was rewarded for his years of party service by being appointed the chairman of Ontario's Mothers' Allowance Commission the following year. He was also a minister without portfolio in the Ferguson cabinet. Throughout the remainder of the 1920s Jamieson resolutely guarded against any movement to liberalize entitlement under mothers' allowances by including widows with only one child or deserted wives, and his blatant use of patronage in appointing loyal Conservatives as Commission investigators so offended Commission vice-chairman Elizabeth Shortt, one of the pre-war leaders in the movement for mothers' allowances, that she resigned her position in disgust in 1927. When he assumed the chairmanship of Ontario's Old Age Pension Commission in 1929 Jamieson was already three years past the age of eligibility for collecting the pension himself, and he would retire five years later at the age of 78. A product of late-Victorian Ontario as well as a loyal and partisan Conservative, Jamieson was ill-disposed to act as an advocate for Ontario's elderly poor. When pension applications mushroomed beyond all expectations in the early years of the Depression, he moved quickly to find a means of bringing costs under control.[27]

In 1932 welfare minister William Martin "declared war upon abuses of the Old Age Pension Act," transferring the power of investigating and approving all old age pension applications to a new staff of eleven provincial inspectors working directly for the provincial Old Age Pension Commission.[28] The new corps of inspectors quickly got down to work by cancelling or reducing 80 per cent of the almost one thousand pensions they investigated within Toronto's caseload. Once Queen's Park took over pension investigation in that city the proportion of applicants getting a full pension plunged from 94 to 32 per cent. Pension inspectors began to search local records to detect the transfer of property from parents to children within five years of a pension application, required applicants to sign permission forms giving them access to their bank records, and launched a crackdown on "base ingrates" — i.e. children who forced their parents onto the pension when they could contribute to their support. After 1932, the ability of children to help their parents financially, Martin announced, would be "regarded as income so far as [pension] applications are concerned," whether or not the money was actually received. The maximum pension of all married pensioners or those living with their children was reduced to $15 a month. In the same year, local pension boards lost the power even to recommend a specific amount applicants should receive.[29]

27. Biographical information on Dr. David Jamieson is from G. D. Roberts and A. L. Tunnell eds., *The Canadian Who's Who vol. 2, 1936-37*, (Toronto, 1936), 554. On his political career under Howard Ferguson see Peter Oliver, *G. Howard Ferguson: Ontario Tory*, 274-275, 360. On Jamieson's tenure as chairman of the Mothers' Allowance Commission see Williams, *Decades of Service*, 38.

28. *Windsor Star*, 20 February 1932; AO, Department of Public Welfare, *Annual Report*, 1930-31 noting that "owing to the large number of applicants for pension it was impossible for either the Local Boards or the Commission to investigate fully the status of every applicant," 4-5.

29. MRA, RG5.1, File 48.1, Fourth Annual Report of the Toronto Old Age Pensions Board, 31 December 1932; NA, RG29, Vol. 137, File 208-5-5, Vol. 1, "Old Age Pensions — Ontario," Second Annual Report of the Toronto Old Age Pension Board, 31 December 1930; Ibid, Report of Old Age Pension Commission, Third Annual Report 1932.

With the election of the Hepburn government in 1934, this attempt by Queen's Park to centralize and refine the bureaucratic efficiency of pension admnistration temporarily ground to a halt. As a cost-cutting measure the incoming welfare minister, 34 year-old David Croll, who had gained the reputation as a progressive Liberal during his four-year tenure as mayor of Windsor, simply sacked all eleven pension inspectors on the grounds they were "no damn good and nothing but a bill of expense." Croll also abolished local pension boards across Ontario except in the province's four largest cities. Henceforth, in order to save money and speed up the process, pension applications were to be dealt with by municipal and township clerks throughout Ontario and forwarded to the Pension Commission accompanied by sworn affidavits as to their veracity, without independent local investigation.[30]

Federal officials, who had never been impressed with pension administration in Ontario, were appalled at this turn of events, especially since Ottawa, after 1931, was paying for 75 per cent of the cost of each pension. Between 1935, when the federal Department of Finance took control of pension administration away from the Department of Labour in order to contain its rising costs, and David Croll's departure from the Hepburn administration in 1937 over the Oshawa General Motors strike, open warfare took place between federal Finance officials and Croll over the slipshod quality of evidence and the utter absence of verification in Ontario pension applications. As one harassed and overworked local official complained to Queen's Park, "if we are only going to take everyone's word for everything then we might as well hand out $20 to every one who applies." In 1937, when Ontario abolished all remaining local contributions to pension costs, Ottawa delivered its ultimatum to Hepburn. It would refuse to contribute its 75 per cent share until pension administration in the province was reformed and proper inspection of applications was re-instituted.[31]

By now, both Hepburn and deputy provincial treasurer Chester Walters, formerly chief tax collector for the federal government, were alarmed at a pension caseload more than three times the peak initially anticipated when the scheme was launched in 1929.

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30. AO, RG3, Hepburn Papers, Box 320, File "Public Welfare Dept re: Old Age Pensions 1934," David Croll to Hepburn 29 October 1934; Toronto *Mail and Empire*, 26 October 1934; Department of Public Welfare *Annual Report*, 1933-34, 3-4; 14-15.

31. NA, RG29, Vol. 29, File 208-1-1 pt. 1, memo from J. W. MacFarlane to W. C. Clark, "Problems Arising from the Joint Administration of Old Age Pensions," 23 December 1938. As this memo pointed out, "these initial [pension] schemes were not adequate or satisfactory presumably because no one in Canada at that time had had experience in the administration of Old Age Pensions . . . The approval of a number of incomplete and inadequate schemes not only resulted in bad administration and loss of money, but also gave the provincial officials the impression that they were not in any real way subject to supervision by the Dominion." AO, COMSOC, MS 728, Minister's Correspondence 1937-1947, Reel #3, Microdex no. 1, "Mothers' Allowance and Old Age Pensions, — Miscellaneous," Jack Leith, secretary, Hamilton Old Age Department, to George Tattle, 15 June 1937; NA, RG29, Vol. 147, File 208-6-5 pt. 1, J. W. MacFarlane to the Minister, "Re Regulations Made Pursuant to the Ontario Old Age Pensions Act, 1929," n.d. but *circa* June 1937; Vol. 147, File 208-6-5 pt. 1, J. L. Ilsley to Mitch Hepburn, 8 July 1937.

Accordingly, together and in close co-operation with federal Finance Department officials they completely overhauled pension regulations and administration in the province. Control was placed firmly in the hands of the Ontario Pension Commission, now headed by an official from the premier's office, and a new squad of fifty-six pension investigators was appointed. All 60,000 of Ontario's pension cases were to be re-investigated in order to weed out past abuses, and beginning in April 1938 all pension cases were scrutinized at least once each year.[32]

In a further effort to slow the rate of expansion in Ontario's pension caseloads, both federal and Ontario officials mounted an aggressive campaign in the late 1930s to force children to assume a greater share of the cost of parental care. Beginning in that year, Ontario formally required all children of pensioners to obtain a "certified statement of earnings" from their employers for the perusal of pension investigators, although in practice this regulation was only irregularly enforced. In addition, for the first time the Pension Commission adopted a formal table of earnings, based on sliding scales geared to income, marital status, family size, and co-residence with parents, for calculating arbitrarily how much children were expected to contribute to the cost of their parents' care. A single child, for example, living with a parent and earning $1,500 a year was expected to pay at least $125 annually towards that parent's income and this amount was deducted from the annual ceiling of $365 the elderly were entitled to receive, inclusive of their pensions, in order to qualify for aid. Pension officials implemented these scales of support knowing full well, as one put it, that "the children seldom make a direct contribution and the pensioners do without." Nonetheless, the expected support continued to be calculated as part of a pensioner's real income whether or not it was actually received.[33] "Scores of pensions were reduced or suspended" in Ontario on the basis of this sliding scale, the federal Finance Department noted with approval in 1941. Indeed, Ontario's pension caseload had finally peaked and would soon begin a modest decline to 56,000 in 1944, at which point only 29 per cent of those 70 and over were getting pensions compared to 36 per cent only five years before.[34]

While the number of pensioners was going down, the province's staff of pension investigators was going up, almost doubling to ninety-five by 1943, thus cutting the size of the average investigator's caseload in half. More investigators with smaller case-

32. NA, RG29, Vol. 147, File 208-6-5 pt. 1, J. W. MacFarlane, "Re: Regulations Made Pursuant to the Ontario Old Age Pensions Act, 1929," n.d. but *circa* June 1937; J. L. Ilsley to Mitch Hepburn, 6 July 1937; AO, Department of Public Welfare, *Annual Report*, 1937-38, 5-6, 9, 17.

33. AO, Department of Public Welfare, *Annual Report*, 1938-39, 16. A "farm report" was also adopted at this time "giving in detail particulars of the operation of the farm which aids in arriving at the net revenue derived therefrom." Copies of these tables can be found in NA, RG29, Vol. 137, File 208-5-5 pt. 3, memo dated 2 June 1941 and in AO, COMSOC, MS 728, Minister's Correspondence 1937-1947, Reel #3, Microdex #5, "Old Age Pensions — General, B. W. Heise, 1941."

34. NA, RG29, Vol. 137, File 208-5-5 pt. 3, memorandum by E. R. Sweettenham for J. W. MacFarlane, 18 December 1941; AO, Department of Public Welfare, *Annual Report* 1949-50, 10.

loads meant a more stringent enforcement of pension entitlement, particularly given the increased earnings of the elderly and their children as a result of wartime employment and dependent's allowances. In other words, wartime prosperity did not necessarily bring about a higher standard of living for old age pensioners as increased earnings (their own and their children's) were simply deducted from their monthly entitlement. In this way, thousands of pensions across the province were either reduced or eliminated altogether through a combination of economic growth and more efficient bureaucratic regulation. In 1939 the average monthly pension in Ontario was still only $18, the same amount as in 1932, and over a quarter of all those eligible received less than the maximum allowed.[35]

Ironically, while the state developed increasingly uniform standards for measuring the assets and means of the elderly and their children during the 1930s, it did not develop or impose any corresponding standard for assessing their minimum needs. Indeed, such a role was expressly ruled out by the federal Department of Finance. "There is in the [Pension] Act no attempt to define a minimum pension," department officials were told. In order to avoid "strained relations between the Provinces and the Dominion," federal officials "never attempted to check rejected claims, nor have we followed the practice of insisting that pensions should be increased or reinstated where, in our opinion, the pension authority has been too severe." Ottawa's role was "limited to dollars and cents," cautioned J. W. MacFarlane, the civil servant in charge of supervising the pension scheme; and any attempt to define or enforce minimum needs would "draw . . . [the Dominion] into social welfare work which comes under the jurisdiction of the province."[36]

35. NA, RG29, Vol. 29, File 208-1-1 pt. 2, "Report on the Administration of Old Age Pensions and Pensions for the Blind in Canada," 30 April 1944; AO, Department of Public Welfare, *Annual Report*, 1942-43, 20, 23. As the *Annual Report* for 1940-41 noted, "A reduction has also been made in the Old Age Pension rolls and it is felt *once again* that the earnings of children have placed them in a position to contribute to the support of their parents," (my emphasis). After 1939 many children of pensioners enlisted in the armed forces and as the Department of Public Welfare pointed out "insofar as dependency can be proven, their parents have become eligible for Federal assistance, thus relieving our Province from further responsibility as regards the Old Age Pension," *Annual Report*, 1939-40, 15. In Ontario, Finance Department officials noted in 1943, "pension is stopped when the pension authority is notified by the pensioner that he is working. It remains suspended until such time as employment ceases . . . One difficulty is that the pensioners do not always inform the pension authority that they have obtained employment;" NA, RG29, File 208-1-1 pt. 2, W. C. Clark to C. F. Needham, 1 September 1943. Statistical information is from NA, RG29 Vol. 137, File 208-5-5 pt. 2, "Old Age Pensions: Analysis of the Pay-List of the Province of Ontario for the Month of January 1939," 17 March 1939; AO, Department of Public Welfare, *Annual Report*, 1932-33, 3-4; Toronto. City of Toronto Archives, (CTA), SC 40, Records of the Metropolitan Toronto Social Planning Council, Box 91, File 5, memorandum by Bessie Touzel for the Advisory Committee on Reconstruction, "Old Age and Retirement," January 1943.

36. NA, RG29, Vol. 29, File 208-1-1 pt. 1, W. C. Clark to Stuart Edwards, 25 January 1937; J. W. MacFarlane to W. C. Clark, n.d. but *circa* 1938; J. W. MacFarlane, "Memorandum to the Deputy Minister, Old Age Pensions, Payment of Reduced Pensions to Spouses and Pensioners Living Together," 1 March 1939.

For Ontario's aged poor such failure to inquire into the adequacy of pensions by the early 1940s meant a life of growing hardship, particularly as a result of the worsening wartime housing crisis. "I have a little room to myself, 9 × 9, poorly heated, partly furnished," one 88 year old told Premier Gordon Conant in 1942. "I take the cheque to the landlord, he hands me back $8. With the mounting cost of living I find it hard to exist . . . Where I was able to go out I could distinguish every old age pensioner by the haggard expression on his face." "We old fellows have a hard time getting along on $20," another wrote. "Most of us pay $18 for board, and count the pennies to buy smokes and other details with the $2. It is just enough to make things miserable."[37]

Their complaints were confirmed by a city of Toronto welfare department study in 1943 which revealed that even without taking into account the cost of special diets, household necessities, medical care, or drugs, the $20 maximum pension fell anywhere from $3.52 to $9.62 short of minimum monthly requirements depending upon whether the elderly lived alone or with relatives. Rent alone averaged $12 a month for old people living by themselves, leaving only $2 a week to meet food, clothing and any other expenses. Many of the elderly surveyed reported living only on bread, butter and tea for the last week of every month.[38]

Once the federal government acknowledged the reality of inflation for wartime workers by adding a cost of living bonus to their regulated wages early in 1942 — and Toronto's municipal government brought relief allowances in Ontario's largest city up to a minimum standard of nutritional health the following year — the pressure on Ottawa and Queen's Park to do something for the plight of the aged poor, still eking out an existence on the $20 a month pension ceiling set in 1927, became impossible to ignore. From 1941 onwards, letters and resolutions flooded into Queen's Park from the elderly and city councils across the province urging that some comparable cost of living adjustment be made to old age pensions. Within Ottawa, researchers for the federal government's Advisory Committee on Reconstruction condemned the Finance Department's obsession with "mathematical slide rule calculations from the top down" and an "almost exclusive [emphasis] on audit and financial control" for creating a "repressive influence on provincial [pension] administration." Pensions should be placed

37. AO, RG3, Gordon Conant Papers, Box 414, File "Public Welfare —General Correspondence, 1942," anonymous letter from a pensioner, London Ontario, to Conant, 3 December 1942; Hepburn Papers, Box 333, file "Welfare, Dept of, (Old Age Pensions) 1943," F. Goodin to Hepburn, 11 November 1942. These letters are typical of dozens from individual pensioners which can be found in the Hepburn and Conant Papers and in COMSOC MS 728, Minister's Correspondence, 1937-1947 Reel #3, for this time period.

38. MRA, RG5.1, File 48, A. W. Laver to L. H. Saunders, Chairman, Committee on Public Welfare, 5 March 1943; *Ibid*, file 48.1A, copy of resolution from City of Stratford, 6 March 1944; AO, COMSOC, MS 728, Minister's Correspondence, Reel #3 Microdex #5, C. B. Voaden, Welfare Administrator, St. Thomas, to Old Age Pension Commission, 17 December 1943. As Voaden noted, "the old age pension is not sufficient to keep them, and the City has to supplement the pension in order to arrange a home for them."

on a "social" basis related "to the living needs of the applicant," committee researchers advised.[39]

Within the federal Department of Finance opinion over the merits of boosting old age pensions remained divided. Some officials such as Robert Bryce argued that "consideration for a minimum standard of health and decency for these people would fit in well with a general policy of more progressive attitudes in respect to post-war times." Senior administrators such as deputy minister W. C. Clark, however, continued to insist on the "fundamental distinction" between indexing "contractual payments" such as wages and salaries to the cost of living, in order to "induce persons to perform services" and bonusing old age pensions which were, in his view, "really a compassionate payment made . . . to assist aged persons who have not made provision for their later life to take care of themselves." Although sympathetic to their plight Clark insisted "we must have some realism in these matters."[40]

Finally in July 1943, in response to growing public pressure over the inadequacy of pensions and requests from all nine provinces for a cost of living pension increase in the face of wartime inflation, Ottawa reluctantly raised its maximum shareable pension ceiling to $25 a month. Finance Department officials, facing a $3 billion federal wartime deficit, continued to grumble about the cost, particularly since Ottawa's share was 75 per cent at a time when most provinces were running budgetary surpluses. In making this announcement, however, federal Finance Minister J.L. Ilsley also signalled, for the first time, a radical shift in Ottawa's thinking about the whole issue of non-contributory,

39. AO, RG3, Hepburn Papers, Box 317, File "Public Welfare: Old Age Pensions, 1941," Fred Conboy, mayor of Toronto, to Hepburn, 10 November 1941 urging a 15% boost in pension rates "to cover the increase in the cost of living;" see also Hepburn Papers, Box 333, File "Welfare, Dept of — (Old Age Pensions) 1943," resolutions to Hepburn from city councils of Stratford, London, Niagara Falls, Fort William, Chatham, North Bay, and Windsor, requesting a cost of living increase in old age pensions, February 1943. Ironically, although the Old Age Pension Commission did adjust its sliding scale table of earnings for children to the cost of living in order to more effectively enforce parental maintenance during the war, it was not willing to push for a cost of living adjustment in pensions themselves. See AO, COMSOC, MS 728 Minister's Correspondence, Reel #3 Microdex #5, George Tattle to R. P. Vivian, 16 November 1943. Bessie Touzel, executive director of the Toronto Welfare Council, and a hired consultant for the Advisory Committee on Reconstruction, noted that, compared to Britain where 80 per cent of those age seventy or over received a pension, in Canada less than 50 per cent did. The difference, she argued, was due not to the "greater comfort of the aged in Canada" or their ability to provide from themselves, but rather to the pension scheme's "rigid system of eligibility requirements . . . which makes it difficult for many aged persons, genuinely in need . . . to qualify for allowances." In particular, Touzel pointed to the onerous residence requirements in the Canadian pension plan, the "scaling down of allowances below the amount permitted by the Statute," and the "zealous adherence" to the principle of parental maintenance by children as the most critical shortcomings, CTA, SC 40, Box 91 file 5, Touzel, "Old Age and Retirement," January 1943.

40. NA, RG29, Vol. 125, File 208-1-1 pt. 1, memorandum from R. B. Bryce to J. W. MacFarlane, "Re: Letter and Memorandum on Old Age Pensions," 28 August 1941; W. C. Clark to J. W. MacFarlane, 11 September 1941.

means-tested pensions administered by provinces but financed largely through federal tax dollars. "I, myself, am in favour of old age pensions being within the jurisdiction of the dominion parliament," Ilsley told Parliament, "and I look forward to the day when there will be in force in Canada a system of contributory old age pensions, along the lines recommended by the Beveridge report, or something of that kind, and administered on a nation-wide scale by this Parliament."[41] Two years later these sentiments would be imbedded within Ottawa's Green Book Proposals for post-war reconstruction.

A month before the upcoming provincial election, Ontario also implemented an additional $3 monthly increase for its pensioners. In a remarkable display of parsimony, however, Ontario's Pension Commission revealed that instead of granting the increase across the board, all of its 59,000 pension cases would be individually reviewed and the bonus paid on a case by case basis, to those who could prove real need. As one outraged Anglican minister aptly commented upon hearing the news, through this action Ontario had now clearly earned the "label of the stingiest province."[42] Certainly this cheese-paring gesture did little to forestall the electoral rout of the Liberals by the Conservatives and CCF one month later in a campaign fought largely over the issue of social

41. NA, RG29, Vol. 125, 208-1-1 pt. 2, "Memorandum on Old Age Pensions," 22 July 1943, noting that "the additional burden should be thrown on provincial governments rather than added to the colossal burdens now being borne by the Dominion as a result of the war;" "Memorandum Regarding Wartime Policy and Action of the Government in Respect of Old Age Pensions and Civil Service Salaries," 1943. Although provincial governments paid only one-quarter of all pension expenditures, federal Finance Department officials complained, they continually attempted "to block any encroachments by the Dominion on what they considered to be their own field of jurisdiction." Provincial pension administrators were often appointed "for some political reason" and quite frequently "use[d] the Old Age Pension scheme for political propaganda," blaming Ottawa for its inadequacies but at the same time "jealously guard[ing] any attempt by the Dominion to influence [their] decisions." Finance Department officials also worried about the potentially "staggering" costs of continuing an unfunded, non-contributory pension scheme as the population aged. Transforming the entire pension scheme "as far as practicable onto a contributory basis" would provide "relief to the Treasury," Ottawa's chief actuary, A. D. Watson and deputy Finance Minister W. C. Clark agreed. See NA, RG29, Vol. 29, File 208-1-1 pt. 1, J. W. MacFarlane, "Problems Arising from the Joint Administration of Old Age Pensions," 23 December 1938; A. D. Watson to W. C. Clark, 2 February 1937; W. C. Clark to A. D. Watson, 8 February 1937; Vol. 126, File 208-1-8, memo on "Old Age Pensions," January 1939.

42. AO, RG3, Conant Papers, Box 422, File "Public Welfare Dept. — Re Old Age Pensions 1943," telegram from Gordon Conant to all premiers, 12 January 1943; Conant to W. J. Patterson, 16 January 1943. Because of Ottawa's incursions on provincial tax revenue, Ontario could "not make any commitments involving the expenditure of substantial amounts," Conant told the Saskatchewan premier; Reverend John Frank, Trinity Church Social Action Committee to Conant, 17 March 1943; AO, COMSOC, MS 728 Minister's Correspondence 1937-1947, Reel #3 Microdex #5, George Tattle to Farquhar Oliver, 27 May 1943 noting that the cabinet initially planned on a 20 per cent pension bonus which was reduced to only 15 per cent one month later. The incoming administration of Conservative premier George Drew, it should be noted, did not rescind the decision to pay the bonus only after a case by case review.

security. Here pension entitlement would remain until the entire scheme was made universal for all those age 70 and over in 1951.

During the first two decades of old age pensions in Ontario, the aged poor paid the price of depending upon a scheme launched reluctantly at the beginning of the Great Depression by governments in Ottawa and at Queen's Park which had extraordinarily little research, planning, or administrative experience for a spending program of such magnitude. Against this background of weak political commitment, administrative incompetence, and economic crisis, it is hardly surprising that old age pensions soon lost all semblance of providing either a new social "right" or a "comfortable, decent old age" for Ontario's elderly, as promised originally by Premier Howard Ferguson. By the mid-1930s pensions had degenerated, in the words of one federal Finance Department official, into nothing more than "state charity . . . designed to provide for bare subsistence . . . hardly anything but a form of relief granted to the aged poor by a benevolent state," complete with means-testing almost as parsimonious and degrading as that experienced by the unemployed dependent upon the dole.[43]

Had the scheme been administered in the liberal spirit of Toronto's Pension Board between 1929-32, non-contributory old age pensions might well have attained the promise of an earned social right of citizenship — a reward, free of stigma, for years of labour in building up the nation. However, Toronto's resistance to the concept of parental maintenance, and its willingness to grant the full $20 pension in almost every eligible case was quickly targetted by provincial pension officials as evidence of fiscal abuse. Rural boards, in contrast, which cut down pension entitlement for married couples, often forced the able-bodied elderly over 70 to keep working, and vigorously upheld the responsibility of children to pay for their parents' care, became progenitors of policies ultimately adopted and enforced by provincial and federal pension authorities in the name of economy.

Ironically, old age pension administration by local boards in Ontario during the scheme's early years provided divergent models for how non-contributory pensions could be developed, either as an earned right, or as charity. In the end, charity prevailed. Centralization of decision-making away from the local level came about in 1933 in order to restrict, not enhance, pension entitlement by making the means-test, applied with greater precision not only to the elderly but to their children as well, more effective through the superior investigatory power of senior levels of government. With considerable prodding from Ottawa, pension administration in Ontario became more administratively competent and uniform in the interests of cost control as opposed to social fairness or adequacy. And as the province gained administrative experience in the pension field and enhanced its capacity to measure the poverty of the aged, old age pensions came more to resemble charity from a benevolent state rather than an earned social right. In all of these developments, the background of the Great Depression, in which Ontario's first old age pension scheme was launched, figured largely as both Ottawa and Queen's Park struggled unsuccessfully throughout the thirties to place a cap on ever rising pension expenditures.

43. NA, RG29, Vol. 126, File 208-1-8, anonymous memo on "Old Age Pensions," January 1939.