recommended in August 1967 by the House Ways and Means Committee, total benefit payments received by those now getting minimum OASDHI benefits would go up from $44 to $100 a month for an individual and from $66 to $150 for a couple, or to $1,200 for individuals and to $1,800 for couples. These amounts would bring elderly individuals a great deal closer to Orshansky's nonfarm poverty line criterion of $1,435, while couples would be brought virtually up to the $1,850 criterion. Individuals currently receiving average OASDHI benefits of $84 would receive total benefit payments of $134.50, or $1,614 a year, while couples receiving average benefits of $142 would get $235 a month or $2,820 a year. These amounts may be compared with Orshansky's nonfarm low income criterion of $1,685 for an elderly individual and $2,340 for an elderly couple. In short, such a universal pension would bring minimum beneficiaries aged 65 and over considerably closer to the poverty line and average beneficiaries almost to the low-income line or well above it in the case of couples.

There are currently about 18.5 million persons aged 65 and over, of whom about 18 percent, or 3.1 million, are wives. Assuming that perhaps a half million would not meet reasonable residence and citizenship requirements, we may very roughly estimate the annual cost of the suggested universal pensions at $9.9 billion. However, there would be certain offsetting savings. First, there should be a substantial savings in current expenditures for old-age assistance. Second, if this type of universal pension system were adopted, the case for modification of the present income tax advantages for the elderly, including exemption of OASDHI benefits, would be very strong, but there are numerous ways in which the provisions could be modified and politically it might be very difficult to achieve much restoration of tax revenues lost as a result of these special provisions.

The major argument in favor of this approach, as opposed to increasing minimum OASDHI benefits sharply on the basis of general revenue financing, is that it would bring about a significant improvement in the income status of all those aged 65 and over but would provide the largest proportionate increases in income for those who have little or no income, without disturbing the existing structure of OASDHI contributions and benefits. It would also in my opinion have the very great advantage of substantially improving the income status at age 65 of persons retiring on actuarially reduced OASDHI benefits before age 65. As matters stand now, these persons, many of whom apply for early retirement benefits because of ill health or involuntary unemployment, receive reduced retirement benefits for the rest of their lives in most cases.

DONALD F. BELLAMY: THE CANADA PENSION PLAN: A SUPPLEMENTARY INSURANCE SYSTEM

The development of Canada as an urban industrial nation only after the 20th century arrived and a parallel persistent trend away from an agricultural economic base partly account for delays, in comparison with older nations, in the development of old-age security measures. The first major step taken in 1908 was a voluntary Government annuity system, which had limited use until the rapid expansion