

Old Age Security

field where we could, by hard work and application, make a really worth while contribution to the future of mankind?

Mr. Diefenbaker: I believe Canadians can always do that. As a matter of fact I feel that at the present time considerable advance in the development of international law in this regard is being achieved or certainly undertaken at McGill University, and I hope the problem would receive the attention of other interested Canadians as well as governmental authorities.

OLD AGE SECURITY

ANNOUNCEMENT OF INQUIRY INTO CANADIAN AND U.S. SYSTEMS

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I wish to make an announcement to supplement the statements of policy which the government has already made, and the action which the government has already taken, with reference to the important question of old age security.

Speaking in this house on November 19 last, as recorded at page 1298 of *Hansard* of that date, I said:

—we in this government and party intend at the earliest possible date, in addition to the present pension systems, to give full consideration to investigating the insurance system in the United States to the end that we will bring about in Canada a rounded and effective contributory social security system over and above that which already exists.

My reason for referring to the United States insurance system at that time was simply that of all the systems of government old age security in effect in the world today, I know of none which equals the widespread benefits provided under the United States contributory system. I also referred to that matter when I spoke in Antigonish, Nova Scotia, on April 30, 1957.

We have acted since then to improve the level of benefits under our Old Age Security Act by increasing them to \$55 per month. But, as pointed out in this party's official statement, "A new national policy," the United States plan of old age and survivors insurance provides average monthly benefits on retirement of \$76 for single workers, \$128 for aged married couples without dependants and \$65 for aged widows.

We have made a preliminary examination of the United States contributory old age and survivors insurance program and have found:

(a) that it has grown steadily over the years both in coverage and in generosity of benefits;

(b) that it is now possible for single retired workers to draw benefits as high as \$108.50

a month with corresponding benefits to married couples and to other groups and categories;

(c) that it provides in addition generous survivor benefits, up to \$200 a month for dependent wives and children of insured breadwinners who die before the age of retirement is reached;

(d) that retirement benefits are made available at age 65 for men and 62 for women, compared with age 70 in Canada;

(e) that disability insurance benefits are provided for insured persons whose ill health makes premature retirement necessary in advance of normal ages for retirement;

(f) that all of this is provided, as pointed out in our national policy statement, for an "annual contribution per person of \$27.08, not much more than the average contribution by Canadians of \$22.70 for the old age pension."

With these facts before us we have decided that further detailed investigation and inquiry should be made as quickly as possible to produce the information which will enable us to determine whether a similar system or some modification of it would be fitted or adapted to our Canadian requirements, in addition, of course—and I should like to emphasize this point—to our present system.

Because of this, the government has decided to establish, by the most careful and objective inquiry into the available facts and experience, how best we can expand the present old age pension system by the addition of an insurance system similar to that of the United States. In that connection, there has been no complete Canadian study undertaken since the parliamentary committee reported in 1950. In the light of the intervening years a further investigation is needed in order to ascertain on the basis of experience what if any changes should be made in the recommendations made by that committee.

For this purpose we have retained the services of Mr. Gordon Huson, professor of business administration at the University of Western Ontario, to make an independent factual study of all the aspects of the United States system and its application to our Canadian problem; and to report thereon to the government at the earliest opportunity.

Professor Huson will undertake this study almost immediately, and will have placed at his disposal whatever facilities are necessary to facilitate the effective carrying out of this important assignment. If in the course of his inquiry Professor Huson finds it helpful to look into the details of comparable systems of retirement security plans in other countries he will, of course, be free to do