

*Old Age Security*

**Mr. Mutch:** The hon. member for Winnipeg South seems to have got under your skin. Make your own speech.

**Mr. Knowles:** I have not heard anything so amusing for a long time as the speech made yesterday by the hon. member for Winnipeg South.

**Mr. Mutch:** I am getting along very well with the people in south Winnipeg.

**Mr. Knowles:** It is interesting to note that the press seemed to get the point which he was trying to get over.

I have said that we say the first hurdle to get over is the removal of the means test. Liberal members in the house who have been embarrassed by the fact that they voted against our amendment on September 19, 1949, to do away with the means test, are trying to get themselves off the hook by saying that they favour the abolition of the means test along with the introduction of a contributory system. In other words they are taking that good word "contributory" out of our program of over-all social security, taking it completely out of its context, and trying to put over on the people of this country something which is, if I may quote a couple of words from my home town friend across the way, a snare and a delusion.

Proof of what I am saying was given by something the minister said in his speech today. If I heard him correctly, he said that only ten per cent of the older people in the United States are receiving retirement allowances on the basis of contributory schemes now in effect in that country. He said that in addition to that small percentage there were a great many people drawing pensions from public assistance schemes such as we have in Canada. But the point I make, and which he substantiated, is that when you start with the contributory idea, as related only to the old age pension, you leave unsolved the major problem, namely the problem of universality, the problem of getting the pension to everyone, as of right.

There are a lot of things which could be said about the program of social security in the United States; but their major fault is their lack of universality. They made the mistake of going in for the contributory element first, rather than for getting rid of the means test first.

The thing that concerns me, and the reason that perhaps I get worked up about it, is that I fear from what the Prime Minister (Mr. St. Laurent) said in the house on February 20, and from what is being said by Liberal party members about this whole question, that the government is going to be under pressure to get started on a partial

[Mr. Knowles.]

system, a system which is contributory and without a means test, but which would cover only a limited number of people.

Bear in mind the difficulty we have had getting unemployment insurance applied to all the people of the country. Bear in mind the difficulty the government has in collecting income tax from all the people of the country. And when you think of those problems, any body of officials who are instructed to work out a contributory system are going to balk at the idea of trying to work it out so that it will collect from everyone in the country.

The kind of pressure that is being put on today, to my way of thinking, is likely to result in the drafting of a scheme which is only partial in coverage, but which takes the heat off government members of the House of Commons, because it will solve the problem for some of the Canadian people. I urge the minister most strenuously to resist any pressure from members of his party or others in the cabinet to start off on that foot. Let us start the right way, by taking off the means test and by making the pension completely universal.

**Mr. Ferrie:** May I ask a question. You say you represent your party, and you talk about the means test. Why have they carried out the means test in your party in Saskatchewan?

**Mr. Knowles:** Apparently the hon. member did not listen to the quotation I gave a moment ago, referring to the present Minister of Agriculture (Mr. Gardiner) when he was a minister in the Saskatchewan government.

**Mr. Ferrie:** That has not anything to do with it.

**Mr. Knowles:** It certainly has. The Minister of Agriculture knew when he was in the provincial field that this sort of thing could not be carried out provincially, and that the only possible way to carry out a universal old age pension would be on a federal basis. Not only did the Minister of Agriculture know it in 1924, when he was a minister in Saskatchewan, but he knew it in 1945 when, as a member of the federal government, he was party to a proposal for a universal old age pension in Canada that was to be paid for and administered one hundred per cent by the federal government.

There is nothing embarrassing about the question the hon. member for Mackenzie has asked—

**Mr. Ferrie:** You see—

**Mr. Knowles:** Just a moment—for the fact of the matter is that it is only at the federal level where there is control over the economy of Canada, and it is only at the federal level where there is unlimited power in the raising