

go by. I know that labour is turning its thoughts in this direction at the present time, and the collective bargaining during this coming year will centre more around welfare schemes and pension plans than around proposals for advances in wages. I have some personal information in connection with exceedingly important and far-reaching movements for social security in line with our general proposal to make life in old age and under disability less drastic than it has been in former generations.

Just incidental to what I propose to say about the bill, I should like to call attention of honourable senators to the fact that we are budgeting for the expenditure of a very large proportion of our national income on security services. In 1948 our expenditures on such services were as follows:

Unemployment insurance...	\$ 12,500,000
Family allowances.....	260,000,000
Veterans' benefits	363,000,000
Old age pensions.....	48,000,000
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	\$ 683,500,000

That is, last year we spent more than \$683 million for taking care of people in their old age, of families with children, of veterans, and of people who were unemployed.

The Pension Fund Societies Act, which it is now proposed to amend, is a very old statute. It was first enacted by 50-51 Victoria, chapter 21, and was assented to on the 23rd of June, 1887. It has stood unamended, so far as I know, during the intervening sixty-one years; certainly it has not been amended since it was put into the Revised Statutes of Canada, 1927, where it appears as chapter 155. The Act provides a simple and inexpensive procedure whereby any two or more of the superior officers "of any corporation legally transacting business in Canada, under any Act of the Parliament of Canada" may establish a pension fund society which shall be designated as the pension fund society of the particular corporation in question.

Honourable senators will observe that the legislation is for corporations brought into being by the Dominion of Canada rather than for foreign corporations or companies incorporated under the laws of the provinces.

The procedure, as I have said, is very simple. It requires only that the officers file with the Secretary of State, and in the office of Registrar of Deeds of the locality in which the chief place of business shall be located, a declaration of their intention to form such a society. The filing shall be followed by a

notice of incorporation appearing in four weekly issues of the *Canada Gazette*. That is all that is necessary to bring into being a body corporate with very important functions. The original incorporators are the provisional directors, whose duty it is to call a meeting of the society when the directors, who shall be at least five in number, are elected. All those who contribute to the funds of the society, including the parent corporation, shall have the right to vote, subject to the by-laws passed by the directors and approved by the shareholders.

Such a pension fund society has the power, by voluntary contributions or otherwise, to form a fund, and to hold, invest and administer it for the following purposes: First to "provide for the support and payment of pensions to such officers and employees . . . incapacitated by age or infirmity"—honourable senators will observe how broad the provision is, leaving details to be covered by the by-laws—and, second, upon the death of such officers or employees, to "pay annuities or gratuities to their widows and minor children or other surviving relatives in such manner as by the by-laws of the society may be specified." We have, therefore, provision for a welfare fund and a gratuity or pension fund.

The society has power to pass by-laws defining the rights of all the interested parties, including the beneficiaries, and concerning the formation, management and distribution of the fund. These by-laws are filed with the Secretary of State. The parent corporation, by a vote of either its directors or its shareholders, is given power to make contributions to the fund out of the moneys of the corporation. The interest of any member in the funds of the society are not transferable; and I take it that they are not attachable. When required by the Governor in Council to do so, the directors of the fund must file with the Secretary of State a return showing their assets, receipts and expenditures.

In view of the simplicity and apparent inexpensiveness of this procedure, and the accompanying benefits, it is remarkable that the machinery has been so little used over the long period in which it has stood on the statute books of Canada. One would have expected that it would have been made use of on many occasions. But that is not the case. As a matter of fact, since 1887 only thirteen companies have filed declarations of intention under the Act. The action taken by these concerns is creditable and, therefore,