

Supply—Health and Welfare

he committee, they would know that the \$50 pension at the age of 65 would cost \$660 million in 1951. They would know that that would involve an additional expense of over \$500 million. They would know that if a sales tax were collected to pay for that, it would mean an additional 10 per cent on the 8 per cent sales tax that we already have. If they believe that the country as a whole is ready to see prices go up to such an extent as a result of an increase in the sales tax from 8 per cent to 18 per cent, they may well try to convince the people of Canada of that, but I am sure that, as usual, they simply will not be able to do it. If it was a direct contribution—and I do not have to use chapter 1; I know it by heart and I am sure the leader of the opposition does not—on the employee and employer basis, which was mentioned by the hon. member for Broadview, it would mean a direct contribution, with certain exemptions, of 6 per cent on all incomes and 6 per cent on all payrolls. I am not sure that the people of Canada as a whole and that the employers of Canada believe that, for the good of the country, they should pay as much as that at this time. The committee of course has studied all the angles. I am not going to try to discuss the 100-page report in five minutes; but I can say that the leader of the opposition and the hon. member for Broadview should read it carefully. If they had a sense of their responsibility as representing, in this chamber, the people of Canada, they surely would not have said what they said without at least glancing at the report.

Mr. Hees: Mr. Chairman, if the hon. member who has just taken his seat would spend a little more time listening, he would perhaps learn that what I said had nothing to do with introducing a \$50 pension in 1951. I said what is perfectly true, namely, that if a number of years ago we had started a contributory pension plan, we could today pay a \$50 pension; and I say that the sooner that we pay our contributions of the right amount, basing them on paying a pension at 65 without a means test and supporting a proper plan now, the sooner shall we be able to afford to increase the pension to \$50. I did not say next year. I said the sooner we started, the sooner we would be able to do it.

The Chairman: Shall the item carry?

Mr. Martin: Just before the item carries, there is something I want to say. I do not propose to detain the committee for more than a moment or two. I want to take this opportunity—and I think I do so on behalf

of every member of the house—to thank the joint chairmen of this committee and the members from all parties who constituted its membership for the thorough work they have done and the study they have made on this subject. It has been said throughout the session by shrewd observers that not in a long time has there been a committee that pursued its objectives and its purposes with such a measure of thoroughness.

I can assure the house that the government will give the report on old age security the closest study and earnest consideration. The committee's extensive analysis of old age security systems, and its detailed review of the system now in effect in Canada and other alternative systems proposed, have been summarized in a document that cannot fail to command respect.

On March 10, while advocating the establishment of this joint committee on old age security, I outlined certain basic considerations, as reported at page 644 of *Hansard*, which it might be useful now to recall to the committee:

What we wish to do is to develop, within the limits only of the financial capacity of our people and with due regard to our over-all commitments in all fields of social security and other governmental responsibilities, the simplest, most effective and most humane system of old age security that it is possible for us to devise. We wish to do this, not in open disregard of provincial rights or interests or concerns, but in full consultation, agreement and partnership with the provinces. This is our objective in the field of old age security. It is with this, along with other equally important matters in mind, that we look forward to our conference with the provinces in the autumn of this year.

I say in conclusion, the committee in its deliberations has recognized the importance of its task and fully respected the special position of the provinces with regard to old age security. I am confident, therefore, that the committee's report—especially since it has the support of all parties represented on it—will commend itself to the most careful and sympathetic consideration both of the federal and of the provincial governments.

Item agreed to.

DEPARTMENT OF AGRICULTURE

Special—

652. Amount required to recoup the agricultural prices support account to cover the net operating loss of the agricultural prices support board during the fiscal year 1949-50, \$3,484,918.

Mr. Charlton: I am sorry to detain the committee at this time, but the hon. member for Huron North was not able to be present, and he asked me to read a telegram which he has received regarding cheese having price sup-