

which in 1929 were between \$33 and \$34, had fallen to \$24 in 1935. The book continues:

This illustrates again the inadequacy of wage increases unless they are accompanied by reasonably full employment. For the workers in the seven departments of the steel industry the rise of more than five per cent in hourly earnings was accompanied by a drop of 28 per cent in weekly earnings.

In a book which I am sure every hon. member has received, called *Canada To-day*, by Professor F. R. Scott, there is a very interesting fact noted in connection with the income tax paid in Canada. That tax begins at \$1,000 for single persons, and a married man with two children pays income tax on earnings of more than \$2,800. In 1936 there were 199,102 Canadians who paid income tax. Less than twelve per cent of these were receiving more than \$5,000 a year. An estimate made of the distribution of total national income among all wage and salary earners, based on census and income tax returns for 1931, showed some interesting figures. The totals are given in this book, but I have not time to read them all. The table shows, however, that the 11,000 income receivers at the top had as much income as the 400,000 at the bottom of the social scale. To my mind, Mr. Speaker, that at least illustrates the position in which great numbers of industrial workers find themselves to-day.

Speaking about the matter of old age pensions, the wide acceptance of old age pension legislation throughout the entire world is worth noting. Prior to the beginning of this century only five nations, with approximately one hundred million inhabitants, had any form of aid for their aged wage-earners. To-day forty-three countries with a combined population of well over seven hundred million give protection to their aged citizens, and, as has been pointed out already, thirty-one countries are on a contributory basis. The trouble with many people to-day is that they consider this problem only in terms of relief. From the point of view of the aged themselves there is a vast difference between the right to a pension as it applies to a pension scheme, where the applicant has a legal right as a contributor to participate, and a non-contributory old age pension scheme such as we have in Canada, where no assistance is granted unless the applicants acknowledge their poverty and submit to an investigation into their private and personal affairs. The truth of this is so apparent and so well known that it need not be further elaborated. There is a further fact which should not be forgotten. Even though the aged have no means left they may still have some moral and justifiable pride, which splendid virtue I maintain is well worth preserving and retaining.

In view of the antagonistic attitude of certain provinces of Canada against the suggestion or proposal that the federal government should be allowed to proceed with unemployment insurance in those particular provinces, I would suggest to the government that the policy adopted by the United States in 1936 in connection with the Social Security Insurance Act be studied as one which might be put into practice by the federal government of this country. When that legislation was first proposed in the United States the same constitutional question was raised there that we have had raised here. The federal government of the United States got around that objection, however, in much the same manner that we got around objections to the old age pension scheme back in 1928. The United States government set up a fund amounting to over \$143,000,000, and told the various states of the union that this money was available for certain security schemes. I have not time to go into them all in detail, but briefly they were these: Old age pensions; unemployment compensation; dependent children's allowances, maternity, child welfare and crippled children; child welfare services; pensions for the blind; vocational rehabilitation and public health. To-day forty-four states have unemployment insurance; forty-six, old age pensions; twenty-five, pensions for the blind; and it is expected that before long all will be participating.

In passing the federal social security act, the federal government of the United States has, I believe, copied the principle put into effect by the Canadian government when in 1928, under Liberal administration, they passed the present Old Age Pensions Act, which act, I maintain needs complete revision. If the people of Canada had waited until the federal government had had the consent of every province before putting into effect old age pensions, it is very doubtful indeed if old age pensions would be in effect throughout Canada to-day. There is no reason why the same course that was followed in 1928 in regard to old age pensions could not be followed now in regard to unemployment insurance, and I am so suggesting.

I should like to have the government go further, however, and consider, when they are at it, the entire question of social security, including not only contributory unemployment insurance but also old age pensions for all eligible Canadian citizens commencing not later than at the age of sixty-five, similar to what has been done in Great Britain and more recently in the United States and New Zealand. I believe, Mr. Speaker, it is high time we took a more realistic view instead of