

will move out of the province." I think there is very little that we can possibly do ourselves although this has been discussed in the White Paper that the province has brought out. I think they are going to look at it along different lines, possibly along the lines of different occupations and different reasons.

I cannot see how we can do anything as citizens in the community unless we put pressure on the Department of Labour and have it raised. We also have to think along the line, "Are we going to lose this industry?"

The Chairman: Mr. Smith, you spoke about a change in attitudes. That, I would gather, is a pretty local matter?

Mr. Smith: Yes.

The Chairman: What have you done to help change the attitudes of both the receiver and the giver?

Mr. Smith: We have not done all that much actually, Mr. Chairman. As far as the receiver goes we are trying to inform these people this is a right as well as a privilege, but it is more a right, and we should in no way take away from their dignity.

There was a time when you went up with your hand behind your back and your head down. This day is going and increasingly more so. We have to keep promoting this idea.

I would like to get back to the second question, and that is as to work incentive. We put this in . . .

The Chairman: Put what in?

Mr. Smith: The work incentive when we brought up this point. We had in mind too the fact that the welfare recipient in many cases is better off financially than the fellow going out to work for 48 hours a week, so the fellow working is not going to work too long at that rate.

The Chairman: What do you suggest?

Mr. Smith: Well, we cannot take down the recipients rates because they are not enough as they are. Therefore we have to raise the minimum standards. There are no two ways about it.

The Chairman: You could subsidize the working poor.

Mr. Smith: You could subsidize them through social welfare, apparently, yes.

The Chairman: This is being done now in this province, and in almost every province of Canada to some extent at the moment, to keep the working poor off welfare.

Mr. Smith: As long as the person who is paying the man, the employer, is not abusing the social welfare.

The Chairman: That is part of the problem.

Mr. Smith: It is a very important part because I do not think the general public would allow—I know I would not—the paying out part of my taxes to subsidize the work problem you had.

The Chairman: We are assuming that when you are subsidizing, you are subsidizing people who are within the law. And if they are within the law you would do it and if they are paying starvation wages, you do not do it. There is no argument on that, but you say in the brief, speaking of the working poor:

It is this group of individuals who are most inclined to surrender in despair and turn to rely solely on government organized assistance programs such as Social Assistance or Unemployment.

The most startling figures we have are the ones from the City of Toronto and Mr. Anderson, who is in charge of Welfare, and a very capable man, told us that there were 30,000 persons in the City of Toronto who are working at their jobs and earning less than they could receive if they were on welfare. I am satisfied that the same thing is reflected here. There would be no difference here. It would be about the same thing so when you say that they are most inclined to surrender, I do not think that is right. There are some people who make up their minds they are not going to surrender and they do not, but when you bring in unemployment insurance, that is another matter entirely. Are you referring to unemployment insurance?

Mr. Smith: Yes.

The Chairman: The man pays for it. He has a right to it. He does not depend on you and me. He pays for it and the law says he can draw it for so many weeks at such and such a rate. We have no right to question that.

Mr. Smith: The point we are getting at here is that I still believe that if a man can get \$250 from Social Welfare and he can only get \$200 from his job, plus the fact that he