

social security. The Committee reviewed the financial and constitutional aspects of old-age security and studied the relationship of old-age security to other Federal programs, such as war veterans' allowances, unemployment insurance, government annuities, and the housing program under the National Housing Act.

Findings of the Committee.—In its Report, which was tabled on June 27, 1950, the Committee recommended a universal flat-rate pension of \$40 a month payable to everyone 70 years of age or over, subject to a residence requirement and administered by the Federal Government. As a complementary measure, the Committee recommended a pension of \$40 a month, payable to persons in need between the ages of 65 and 69 inclusive, with a test of eligibility somewhat similar to the one under the present old-age assistance program. This assistance program, in the opinion of the Committee, should be financed jointly by the Federal and Provincial Governments on a 50-50 basis, with the Provincial Governments administering the eligibility test.

An estimated \$388,000,000 for the year 1950-51 would be required to implement this program; the estimated Federal Government cost would be \$356,000,000 and the balance would be paid by the Provincial Governments.

With respect to the methods of financing the federal share of the costs, the Committee favoured the contributory principle, in particular, a tripartite arrangement involving contributions from individuals, employers and the general revenues of the country. If any constitutional change were necessary to introduce an earmarked social-security tax, it was suggested that Federal and Provincial Governments might consider an amendment that would give concurrent jurisdiction to Parliament and the Provincial Legislatures in the field of old-age security, since the participation of both federal and provincial legislation is, obviously, necessary to a satisfactory old-age security program.

The Committee drew attention to the need for adequate provision to meet other needs of the aged, such as medical and hospital care, housing and welfare services and employment. It also pointed out the value of employee pension plans and private savings as a means of supplementing the recommended pension.

Subsection 2.—National Physical Fitness Program

Under the National Physical Fitness Act of 1943, a joint federal-provincial program of physical, cultural and recreational activities is conducted to improve the total fitness of the people of Canada. The program is designed primarily to assist and stimulate local community activity, with the Federal and Provincial Governments having as their main concern the initiation and provision of services requested by the community.

Through the Act, federal grants totalling \$225,000 annually, paid on a matching per capita basis, are made available each year to those provinces that undertake to promote a fitness and recreational program as provided in the Act. By the end of 1950, eight provinces were participating in the program. When Newfoundland entered Confederation in 1949, special provision was made for an additional \$7,000 to be made available for that Province should it choose to participate.

The National Council on Physical Fitness, composed of not fewer than three nor more than ten members appointed by the Governor in Council, was established under the Act. The Council, which meets at least semi-annually, serves in an advisory capacity to the Minister of National Health and Welfare and provides liaison between the different levels of government and with national voluntary