

# STATISTICAL AND SOCIAL INQUIRY SOCIETY OF IRELAND.

## SYMPOSIUM ON SOCIAL SECURITY.

*Friday, 2nd December, 1949.*

*Mr. J. C. M. Eason.*—When I was asked to make some comments upon the White Paper entitled “ Social Security ” no indication was given as to the particular aspect with which I was expected to deal. The paper is of importance because it summarises in orderly fashion the present position of the work being done by the Welfare Departments. So far as it contains recommendations they appear mainly to be in the direction of increased benefits and the departmental method of dealing with their administration without introducing any radically new departure from the precedents already established. It is well arranged and clear and comprehensive.

The discussion arranged for this evening is well timed and will, I hope, prove fruitful.

The document has, perhaps, been given a prominence beyond its due as if it was something very new—it has been well “ flood-lit ” by meetings, interviews, etc.; but it will be of great value in putting before the citizens who read it full facts regarding matters which are of importance to them.

With a brief limit of time available I pass over the pages dealing with administration, etc., of the scheme for welfare and ask you to consider the paragraphs on page 44 headed, “ Condition of Success ”, which seem to raise some important queries.

Paragraph 140 suggests that the organisation of the scheme will not be so detailed and meticulous as to prevent abuses, and reliance is placed upon the co-operation of: (a) insured persons; (b) the medical profession; (c) employers.

The medical profession may find some difficulty from time to time, and certificates require to be scrutinised no doubt, but their assistance can be depended upon.

Employers appear to have a sufficient interest to watch for abuses but their power is somewhat limited. It may be assumed that they rely largely upon the incentive to return which is created by the difference between the insurance money and the normal earnings. There is very little doubt but that in the majority of cases a sense of duty can be depended upon to avoid any abuse, even without the operation of the above-mentioned incentive. In many cases, indeed, employers continue paying the difference for varying periods, but there are many types of work in connection with which supervision is difficult and cannot be relied upon. On the whole, employers will take the charitable view.

A more important issue arises from the suggestion that insured persons should be relied upon to check abuses. It would be instructive to know how this is to be secured. Is the basis really safe? and perhaps I should add, is it really desirable? Experience would lead me to conclude that it is not safe. The effects of abuse are too remote to act as an incentive upon the individuals, although it is statistically

correct to say that they might imperil the carrying out of certain parts of the scheme.

Is it a desirable basis? I am reminded of the reaction to a proposal I once made at a business meeting where complaints were being made regarding breaches of the Company's Acts. The complaints were quite strongly voiced and I ventured to suggest that reports should be made direct to the authorities who were concerned in carrying out the Act. I was very quickly asked, "Were business men expected to do the work of Government officials?", and one indignant member explained in very clear and strong language that he would not be an informer. If that is the climate of opinion in which we live, the hopes of the writer in paragraph 140 will be dashed to the ground.

Nor do I feel particularly optimistic over the reactions which are forecast in paragraph 139.

The success of the scheme is said to depend upon our faith in human nature. I have some faith in human nature, that is to say, in the capacity of some persons to reach heights of self-sacrifice, self-control and discipline which enable them to avoid temptation, and probably in respect of the majority, habits can be, and have been formed which will strengthen their resistance, but I have little belief that in legislation the State can afford to disregard those safeguards which enable such habits to be built up.

Is there a single Government Department which has not learned from long experience that there exists among our citizens a somewhat weak conscience in respect of obedience to the law? If loopholes exist they are generally used as a means of escape. If sanctions are weak they are disregarded. I do not think this is a new feature and I do not think human nature has changed in this respect. Given discipline, effective sanctions, and appropriate rewards, people can be led into the right path, but they will not take it automatically.

One has to consider not the large number of people who can be depended upon but the marginal group which is quite substantial in size, namely, those whose strength of mind and purpose is weak and who have a frail sense of their duty. If it is seen that even a small number of citizens abuse the privileges in the Act—obtain more than they should at the expense of their fellow citizen—others will at best become cynical, and at worst will be led to follow suit.

There is a colloquial expression: "All men are honest, but cut the cards", and I think it is not a bad frame of mind in which to approach a problem of this kind.

Paragraph 139 purports to deal with:

- (a) the magnitude of the weekly payment;
- (b) faith in human nature as a necessary condition;
- (c) the employer's contribution as a sound investment.

As to (a), would it not be true to say that the comparison should be made of the probable margin between current weekly earnings and the amount of benefit?

A comparison with the current rate of payment would only be made by those who would rapidly pass out of the position where they would make such comparisons.

Granted that the short-term change from 22/6 to 50/- may have a striking effect on morale in individual cases, it is the long-term comparison with alternative earnings that will be decisive. The paper does not give any assistance towards making that comparison.

I have already dealt with condition (b).

As to (c), I have had no opportunity of discussing the details of this scheme with any group of business men. There may be many queries as regards details, but the principle of the scheme has been accepted on the whole and is not likely to be now challenged.

There will be, however, some doubt about the finance of the scheme, and it is difficult to feel convinced that the percentage basis in relation to National Income is appropriate. It would be more important to have the cost of the payments made expressed in the form of a percentage on certain costs. On a £5 wage at 7/- per week it represents 7 per cent.

At a time when the costs of distribution are being singled out for comment as being too heavy it is important to stress the point that in this case, as in many matters of legislation in recent years, these costs are being steadily—and sometimes heavily—increased. That is one of the paradoxes of present-day economics: commonplace, you may say but, at the same time, highly significant.

Why is the title of this pamphlet "Social Security" and not "Social Welfare"? The latter title would be more in keeping with the fact that the Department operating these schemes is so called, and I must say I feel that the word "security" has become misinterpreted and, therefore, can be accused of being misleading. With the majority of our citizens it means a maintenance of the status quo, or, at any rate, no disimprovement. In fact, the scheme recognises that that is not the probable state of affairs. Why, then, use this word of doubtful connotation? I know the word is now being used as an alternative to "welfare", but I think it is most inappropriate. No Government Department can confer security upon the citizens. The suggestion that it can shows "a collective and profane arrogance which assumes that men can do what MAN cannot".

Except in paragraph 64 I find no recognition of the work carried out by private individuals, which helps to meet many of the misfortunes which fall upon their fellow-citizens, by their philanthropic and welfare work, whether organised in groups or as individuals. This is not a perfunctory comment.

One would be disposed to judge from the reading of this paper that the State was the only agency through which those who have met with misfortune—merited or unmerited—could, or should, look for help. I think that is a very regrettable omission. The result is a tendency to enhance the importance of the work of the State and to weaken the sense of personal responsibility at a time when, above all, it requires to be strengthened. Indeed, I would press this latter point a little further. There is a danger of introducing into the minds of citizens—particularly to the younger ones—that they really are not responsible for their state of health or for their unemployment, whereas, in fact, we know that many of the absences which arise from illness can be traced to carelessness or to the pursuit of selfish enjoyment without any recognition of the duty to try and maintain one's health in order to do one's work; nor is it true in respect of employment that it is mainly unavoidable. Many of the claims which arise on the unemployment fund can be traceable to individual faults and not to some outside agencies.

It is hard to see any reason why these significant factors should not have been stressed, and why there should be no appeal to the individuals themselves and not merely to the other insured persons who are not likely to feel it their duty to criticise or report the abuses.

*Rev. E. J. Coyne, S.J.*—A man may be a very sincere advocate of social reform aiming at the effective reign in a community of social charity, social justice and social security and yet may find himself in disagreement with, and opposition to, the actual types of social reforms and the particular methods and means which are being increasingly adopted in many countries to-day. The three great social virtues, social charity, social justice and social prudence, have each its proper place in due measure, proportion and balance in the solution of the many problems which will persistently recur in every human society in every age and in every country. But the particular application of these virtues in concrete circumstances will give scope for a very great diversity of different schemes.

In the White Paper on Social Security just published there occurs the following sentence: "It is not merely the desire but the determination of the Government to implement these proposals, and when the public has had an opportunity of examining them, legislation to give effect to them will be introduced forthwith". This is certainly definite enough, and if the Government's mind is already made up, the examination of these proposals by the public would seem to be a purely academic exercise. However, it is, I think, important that those of us who find certain points to criticise in the scheme should take the opportunity of such a meeting as this to voice these criticisms.

There can be no doubt but that the White Paper is a most disarming document. Again and again as one reads it one sees that it admits practically all the faults which anyone could find in the scheme, almost, one would say, with a bland smile. The authors can hardly be blamed for this because their obvious answer to any complaint would be to ask the objector to put up a concrete alternative scheme. That is impossible in ten minutes and consequently all that we can do here is, I suggest, merely to underline certain outstanding flaws in the scheme which, it must be admitted, were not forgotten or overlooked by the authors.

The scheme has been put forward by the Government. But I think we would get it into better perspective if we imagined what the reactions of the community as a whole would be if the scheme had been put forward by the 700,000 citizens to whom it applies. Supposing these 700,000 had been able to elect a committee which drafted this scheme and that then they presented it to the community for acceptance, what would the community say? In this way I think we are more likely to get a completely objective judgment on the matter, free from any danger of partizanship or irrelevant influences. These 700,000 people, as we imagine, suggest to the community that, if each of the 700,000 pay 3/6 per week and if the employers of each of these 700,000 pay another 3/6 per week and if the community then add yet another 3/6 per week, these 700,000 people would then be able to enjoy rights to certain benefits which at present they do not enjoy. For instance, each of these 700,000 would be able to enjoy, should he need it, a Disability Benefit of 24/- a week or an Unemployment Benefit of 24/- a week, and a Retirement Benefit at the age of 65 of 24/- per week whether he needs it or not—and certain other minor benefits. We are told in this White Paper (which for the moment we imagine has been put forward for our consideration by those who are going to benefit by it) that this is an Insurance scheme. What this means, of course, is that each of these 700,000 people pays

one-third of the premium required to insure himself for certain benefits while certain other people pay the remaining two-thirds. In Paragraph 38 we are told that "it is generally recognised that an Insurance scheme safeguards the self-respect of the beneficiary by providing a form of guaranteed benefits payable as of right in return for contributions which form the basis of such right". This is an unexceptionable statement and undoubtedly the self-respect of the 700,000 beneficiaries would be safeguarded if this were a genuine Insurance scheme in which each participant paid a premium calculated in accordance with the risk which he ran and if he paid that whole premium himself. It is a little difficult to see how the "self-respect" of the beneficiary is safeguarded if in any scheme each only pays a premium to cover one-third of the risk while the other two-thirds of the premium is an alms given, compulsorily and possibly reluctantly, by people who are not allowed to participate in the benefits and by the community as a whole, many of whom will be in much greater need of benefits than the participants.

When the beneficiaries receive their benefits it should be clearly understood that only one-third of the benefit has been paid for in any sense by the participants while the other two-thirds of the benefit are merely a masked form of poor relief or public assistance.

In addition, many of the community who will be in much greater need than most of the beneficiaries will, if they need public assistance, have to sacrifice their self-respect and submit to a Means Test before securing it, although they may have contributed something to at least one-third of the premiums, and probably a lot to the whole premium.

Moreover, when these 700,000 people put forward their scheme we find that very many of them are being compelled to pay a premium for a risk which they can in no sense be said to incur, and for benefits which to them would be relatively useless.

For let us examine who these 700,000 people are. The only common note which differentiates them from the other citizens of the community is that they are all being paid wages or salaries by someone else. It is not that they are in greater need of benefits than other members of the community; it is not that they have merited more from the community than any other citizens; it is not that it is of greater utility to the community to give benefits to these rather than to others. The only criterion which these 700,000 people put forward as entitling them to have a right to have two-thirds of their premiums paid for them is that they are "employed people" and not either employers or independent workers on their own. The ordinary citizen can hardly be blamed for asking himself what special feature is there "in being an employee" that should give rise to any special privileges in a community or that would involve any special needs, or that connotes any special merits. Surely a person who is an employer confers as much benefit on a community as one who is an employee. Surely an employer is just as likely to have as great needs of benefits as an employee. In many cases, the person who is employed runs absolutely no risk of needing any of the benefits put forward under this scheme. For example, the Chief Justice and the whole bench of Judges from the Supreme Court down to the District Courts run no real risk of being unemployed or of having to retire in such circumstances that they would need 24/- a week. These are only one example of tens of thousands of men and women included in this scheme who are compelled to pay premiums for no risk whatever and who will

certainly never have any need for the particular benefits offered. Take, for instance, the managers of our great industrial concerns who all would have large salaries and pension rights. Why should these gentlemen ask the community to pay 3/6 a week for them and ask their employer to pay another 3/6 a week when they know that they will never be in any danger of being unemployed nor in any danger of being without a pension when they retire. So far as one can gather from the White Paper, the President of the Republic of Ireland himself is an employee and would have to be insured as to one-third by the State as employer and as to one-third by the State as such. It is, of course, impossible to get accurate statistics but it is almost certain that at least half of the 700,000 coming under the scheme will have to pay their own 3/6 and have the other 7/- paid for them for risks which are completely non-existent in order to qualify for benefits which they will never need and which would be relatively useless to them.

On the other hand, we have tens of thousands, if not hundreds of thousands, of small employers, farmers, small shopkeepers, small independent workers such as dressmakers, shoemakers and rural craftsmen in general who, in all probability, will be in a much greater state of need than anyone of the whole 700,000 included in the scheme. There are to my certain knowledge many cases in which the income of the employee is considerably greater than the income of the employer: in fact, a few years ago this was true of very small farmers in various parts of the country.

Another aspect of the question, of course, is who eventually will pay for this whole "insurance" scheme? The idea, we may take it, is that the self-respect of the employee should be safeguarded by himself paying his one-third share of the premiums but getting very much more than one-third of the benefits. But is it at all likely that an employee who is in a sufficiently strong bargaining position will be content to have 3/6 taken off his wages? Is it not much more likely that the majority of the employees, especially those who have strong organisations behind them, will take care that the 3/6 which should be the premium paid by them will be passed on to the employer? And is it at all likely that the employer will be content to pay even his own 3/6, not to talk about the 3/6 for the employee? Surely from what we know of the history of this matter the employer will, where he can, pass on the 7/- to the consumer, and here will arise many objective injustices, because in some cases it will be comparatively easy for the employer to pass on the 7/- to the consumer, in other cases it might be much more difficult. A lot will depend upon the protected nature of the industry concerned and the elasticity of the demand for the commodity in question. But it would not be too rash to say that at least half of the so-called premiums of the employee and the employer will be passed on to the consumer in higher prices. It is obvious that the 3/6 due from the State will have to come from taxes and this will be passed on, as all taxes are, in so far as it can and will filter down through the community in a very short period of time showing itself in higher prices. It is quite true that not all the premiums and not all the taxes will be able to be passed on, but a sufficient portion of them will to cause, first of all, great disturbances in many industries and among employees, and, secondly, to cause actual injustices. It would not be very far from the truth, and, indeed, I think the White Paper almost admits this in a strange paragraph, 135, in which it

says that "in the final analysis it may be that the employers' and State's contributions are really met by the employee in the shape of increased prices and increased taxation". But it is not merely by the employee that they are met: for the increased prices and increased taxation hit employers and independent workers and professional men quite as much as they are likely to hit employees; in some cases, owing to "progressive taxation", very much more.

The more one reads this scheme the more one is convinced that if the unnecessary—or at least unneeded—cost of avoiding the Means Test was eliminated, the benefits to those in the community who were really in true need could be so increased as to put them completely out of need, or certainly could be increased to some sum which would be a worthy benefit. The primary duty of the community is, surely, to see that those in true need are looked after first and looked after in as satisfactory a way as possible. The benefits at present suggested in the White Paper can hardly deserve the name of "security". It is admitted, of course, that "security" is a relative term, but to take the exceptional case of a youngish man with five children receiving, say, 50/- a week, one can hardly say that the community were giving him "security", especially if, as might easily happen, he was earning anything from £15 to £20 a week before. The benefits are, of course, better than nothing: there is no argument about that. But what I suggest is that a true measure of true security could be guaranteed to all those who are in genuine need if we were willing to concentrate on planning for these limited numbers and were not resolved, merely to avoid the Means Test, to make our scheme cover those who would not ever be in genuine need at all.

Would it be an unfair criticism to say that the whole scheme seems to be an elaborate and costly and, to my mind, an unnecessary pretence of an insurance scheme set up in order to, as is said in the White Paper, "safeguard the self-respect" of a certain minority in the community and in order to avoid using the term "public assistance" or "public help" and in order to avoid having to apply a Means Test? Personally, it is not the thing that I would buy nor the price I would pay. Christian prudence which would aim at giving social security by insurance is a high and important social virtue. But that does not mean to say that Christian social charity is something which necessarily degrades either the giver or the recipient. I see no reason whatsoever why we should be at such pains to secure that what we maintain is a Christian social order should not be ever allowed to practise Christian social charity.

And in the end the scheme does not achieve its one purpose: for in the end when it is analysed and the incidence of the cost is traced, it is found to be merely a complicated system of outdoor relief given to a minority of the community (many of whom do not need it or desire it), but given in this particular way in order to safeguard the so-called self-respect of this minority while leaving the self-respect of the majority not included in the scheme to look after itself.

Ultimately the whole community, including, of course, the beneficiaries, is taxed, and taxed in a way certain to produce injustices and hardships, in order that a minority may have a legal right and nominal title to a falsely-called "insurance benefit" which many do not need, which for many would be almost derisory considering their former salaries and their pension rights from other sources, and which, in fact, is nothing more than concealed "public assistance".

The net has to be woven with such a fine mesh in order that the relatively few of the 700,000 who will really need the benefit may be saved a Means Test. The net must be woven so as to catch thousands to whom the benefit would be useless, thousands who run no calculable risk whatsoever of needing it and yet must insure themselves against it, and thousands who really need the benefit but must have it kept low in order that a completely irrelevant end may be achieved.

*R. J. P. Mortished.*—Although there is no reference in the White Paper to the fact that a comprehensive social insurance scheme has been in operation in Northern Ireland since the 5th July, 1948, there are obvious reasons why a comparison of the scheme proposed for one part of the country with the scheme actually in operation in the other part should be of interest to us. The Northern Ireland scheme is, of course, a copy of the British scheme. There is a strong family resemblance between both of these and the White Paper scheme; but there are also important differences, and these differences raise some interesting questions.

#### *Persons Insured.*

The White Paper scheme applies generally to all persons over the age of 16 working under a contract of service or apprenticeship. The Northern Ireland scheme also applies to these persons but the lower age-limit is the school-leaving age. As the school-leaving age in this part of the country is below 16 years, the White Paper proposals do not cover boys and girls who are in employment. There were at the 1936 Census 9,330 boys and 8,198 girls of 14 and 15 years of age in employment or described as "out of work". These numbers are not large, but is there any good reason why a worker's insurance history should not commence with his or her employment history? The White Paper is silent on this point.

There is, however, a very much wider and more important difference in the coverage of the two schemes. The Northern scheme applies not only to employed persons but also to "self-employed" persons, working on their own account or not under the control of an employer, and to "non-employed" persons, a class which includes everybody not falling into the other two classes; in other words, virtually the whole population is covered, though married women may be excepted from insurance or from liability to pay contributions. The difference in coverage is obviously very wide, but it is not easy to measure it. An indication of the numbers of persons who are not employees is given in paragraph 51 of the White Paper, which shows (on the basis of the 1936 Census) a total of about 499,000 males aged 14 to 64 and, excluding married women and widows engaged on home duties, 323,000 females. The number of employed persons to whom the scheme is expected to apply is given in paragraph 109 as about 490,000 males and 210,000 females. Thus, the scheme is not to apply to about half the male population and considerably more than half the female population (excluding married women and widows working on home duties). The reasons for leaving uncovered by insurance such a very large proportion of the population are given in paragraphs 52 to 54 of the White Paper. The main ground appears to be the practical problems involved in the collection of contributions from self- and non-employed persons and the administration of benefits for them. These same problems must have been foreseen and, for over a year



now, actually encountered in Northern Ireland. The problems connected with benefits have there been simplified to some extent by the fact that self-employed persons are not entitled to unemployment benefit and non-employed persons are not entitled to sickness benefit, unemployment benefit or one form of maternity benefit, but they remain covered for the other benefits. The contributions of these classes are also, of course, lower than for employed persons. It would have been extraordinarily interesting, and might have been very helpful, if the White Paper could have given some account of the actual experience of Northern Ireland, short though it has been. What is the attitude of the self-employed and non-employed classes in Northern Ireland towards their inclusion in the national insurance scheme? Do they, or any sections of them, welcome it or do they object to it? Are the collection of contributions from them and the administration of benefits for them proceeding satisfactorily? As the White Paper never mentions Northern Ireland we have no means of knowing whether or not our Department of Social Welfare tried, or was able, to obtain any information from the Northern Ireland Ministry of Labour and National Insurance before it finally decided to restrict our scheme to employed persons only. The problems involved are not, of course, solely technical, but that is no reason for not considering any technical information that could be secured. Perhaps some of the Northern Ireland members of our Society could help towards filling this gap in our information.

It might be thought that there is a marked difference in the structure of the population of the two parts of the country as regards "industrial status", which would account for the difference in insurance coverage. I do not think that this is so, but I have not been able to obtain statistical confirmation on the point. Such figures as I have been able to bring together seem to suggest that at any rate the proportion of the total male population which is self-employed is not markedly different in the two parts of the country.\*

#### *Benefits Secured.*

The benefits secured by the White Paper scheme and the Northern Ireland scheme are the same in kind but in most cases differ in amount. Where benefits are conditional on insurance and contribution record the conditions appear usually to be the same. The full Northern Ireland scheme includes industrial injury insurance, but this is provided for by separate legislation, and contributions in respect of it are separately assessed; the White Paper states that the question of replacing existing workmen's compensation legislation by industrial injury insurance is under consideration.

The following notes show the main similarities and differences in benefits under the two schemes. (For brevity, I have not dealt with the special rates for young or low-wage insured persons.)

An insured man with a wife and two or more dependent children would get, under the White Paper scheme, a total of 50/- a week; in Northern Ireland he gets a total of 49/6. This, however, is not the whole of the story, for children's allowances are paid in both parts of the country, but at 2/6 a week in the Twenty-six Counties and 5/- a week in the Six Counties. If children's allowances are to be paid under the White Paper in addition to Disability Benefit, the total weekly income in benefit and allowance of an insured man with a

\* See the table at the end of this contribution.

family of a wife and four children would be 60/-, whereas in Northern Ireland the total income is 64/6.

*Sickness or Disability Benefit*

	Weekly Rate of Benefit	
	26 Counties	Six Counties
	s. d.	s. d.
Insured man, single woman or widow .. .. .	24 0	26 0
Insured married woman .. .. .	18 0	16 0
		(26s. if not supported by her husband)
Addition for dependent adult .. .. .	12 0	16 0
Addition for child .. .. .	7 0	7 6
	(maximum, 2	(first child only)

*Unemployment Benefit.*

The rates of Unemployment Benefit for an insured man are in both parts of the country the same as for Sickness or Disability Benefit. But an insured married woman would get 18/- a week under the White Paper and gets 20/- in Northern Ireland. The duration of benefit is limited to 156 days under the White Paper, but in Northern Ireland extends to 180 days and may in some cases extend up to a full year.

*Maternity Benefit.*

An insured woman would be entitled under the White Paper to 24/- a week for six weeks before and six weeks after confinement; in Northern Ireland she gets 36/- a week for six weeks before and seven weeks after confinement. The non-insured wife of an insured man gets the same benefit under the White Paper and in Northern Ireland, namely, 20/- a week for four weeks after confinement. There is also a lump-sum grant to the mother, either on her own or on her husband's insurance; under the White Paper the amount is £5, and in Northern Ireland it is £4. The total payments to an insured woman may therefore be £19 8/-, under the White Paper and £27 8/- in Northern Ireland; the total payments to the non-insured wife of an insured man would be £9 under the White Paper and £8 in Northern Ireland.

*Retirement Pension.*

The full retirement pension payable under the White Paper would be 24/- a week for a single person, with an addition of 12/- for a dependent wife or husband, making a total of 36/-. In Northern Ireland, the pension for a single person is 26/- a week, with an addition of 16/- for a dependent wife under 60, making a total of 42/-, and a further addition of 7/6 if the pensioned man has a dependent child in his family. Apart from the difference in the rates of benefit there is another very important difference between the schemes. Under the White Paper, payment of the pension is conditional on retirement from employment, and apparently this means absolute abandonment of all paid employment. "This decision," says the White Paper, "should incidentally lead to important results of a beneficial social character by increasing the number of employment openings for younger

people." (Par. 84.) The underlying assumption is that there can only be a certain number of jobs and that if any of them are held by old people younger people cannot get them. The Northern Ireland scheme is based on the assumption—surely sounder economically and more appropriate to the needs of the time—that the more people there are engaged in producing the better for everybody. Under the Northern Ireland scheme, therefore, an insured man can "retire" at 65 or an insured woman at 60, but can go on working for 12 hours a week or a quarter of a normal working week and still receive a retirement pension. If a worker who has reached pensionable age prefers not to retire, he will still be entitled, without contributions, to unemployment and sickness benefit, and when he does eventually cease work the pension will be increased by 1/- a week for every 25 weeks of employment, with an additional 1/- a week for his wife if she is over 60, and these increases continue until death. The retirement pension of a man under 70 or a woman under 65 is reduced by 1/- a week for every 1/- earned above 20/- in any week, but after that age the pension is not reduced because of earnings. The Northern Ireland scheme, therefore, does nothing to discourage from working an elderly man or woman who is willing and able to work.

#### *Widows' Pensions.*

The widow of an insured man will be entitled, in the White Paper scheme, to a pension of 24/- a week, with an addition of 7/- or 14/- a week if she has one or two or more dependent children. In Northern Ireland, the widow receives first a widow's allowance of 36/- a week for 13 weeks. If the widow has a child under the Family Allowance age limit, she will receive an addition of 7/6 during the 13 weeks for which she draws her own allowance, making 43/6 altogether. At the end of that period she will receive a widowed mother's allowance of 33/6 for mother and child together; this will last for so long as there is a child under the age limit, and if she is working will be reduced by 1/- for every 1/- she earns above 30/- in any week. When this widowed mother's allowance ends she becomes entitled to a widow's pension of 26/- a week if she is then over 40 and was married at least ten years earlier. If the widow has no children under the age limit, she becomes entitled, after the expiration of the 13 weeks of widow's allowance, to a widow's pension of 26/- a week if when her husband died she was over 50 and had been married for ten years. If the widow should be unable to support herself by reason of infirmity, these age and marriage conditions do not apply. If the widow is working, her pension is reduced by 1/- for each 1/- she earns over 30/- in any week. Widows of 60 or over draw retirement pension instead of widow's pension. It will be noticed that under the White Paper scheme, in contrast with the Northern Ireland scheme, a widow's pension would be payable indefinitely (that is, until death or re-marriage) even if the widow is young, only recently married and childless. The wisdom of such an arrangement seems doubtful.

#### *Orphans' Benefit.*

Under the White Paper, the guardian of an orphan one of whose parents was an insured person will be entitled to an allowance of 10/- for each orphan up to the age of 16. In Northern Ireland the corresponding allowance is 12/- a week.

*Death Grant.*

The lump sum payment in respect of the death of an insured person or of the wife, widow, husband or child of an insured person, is the same in both the White Paper and the Northern Ireland schemes, ranging from £6 up to £20 according to the age at death.

*Contributions and Subventions.*

Benefits in Northern Ireland are in general on a higher scale than those proposed in the White Paper. But this is only one side of the medal; the other side is the cost of the benefits to the insured persons, their employers and the State. Leaving aside the self-employed and non-employed insured persons who are not covered by the White Paper scheme, it is necessary to deduct from the contributions payable in respect of employed persons in Northern Ireland the amounts allocated from insurance funds to the Health Service, which also is outside the White Paper scheme. In the following comparative table I have, for simplicity, deducted this Health Service contributions from the total, but not from the respective shares of the worker, the employer and the State.

## MEN.

Area		Worker	Employer	State	Total
		s. d.	s. d.	s. d.	s. d.
26 Cos.	Normal rate .. .. .	3 6	3 6	?	?
6 Cos.	„ .. .. .	4 9	4 0	2 1	10 0
26 Cos.	Under 16 years .. .. .	nil	3 6	?	?
6 Cos.	Under 18 years .. .. .	2 9	2 4	1 2	5 9
26 Cos.	16 but earning under 70s. a week	2 6	3 6	?	?
6 Cos.	18 but earning not more than 30s. a week .. .. .	2 9	6 0	2 1	10 0

## WOMEN.

Area		Worker	Employer	State	Total
		s. d.	s. d.	s. d.	s. d.
26 Cos.	Normal rate .. .. .	2 2	2 2	?	?
6 Cos.	„ .. .. .	3 9	3 2	1 7	7 10
26 Cos.	Under 16 years .. .. .	nil	2 2	?	?
6 Cos.	Under 18 years .. .. .	2 3	1 10	11	4 6
26 Cos.	16 but earning under 70s. a week	1 2	2 2	?	?
6 Cos.	18 but earning not more than 30s. a week .. .. .	2 3	4 8	1 7	7 10

(The Northern Ireland contributions shown are the permanent rates; up to the time when the new retirement pensions have been in force for 5 years, the contributions of workers and employers are slightly lower—2d. each for the normal rate.)

It will be seen that the Northern Ireland contributions of workers and employers are higher than the White Paper rates. It is impossible to compare the State contributions in detail, because the White Paper does not give details. From the data on total contributions given in paragraph 117, the respective shares of the total contribution at normal rates may be taken to be:—

Men : Worker, 3s. 6d.; Employer, 3s. 6d.; State, 3s. 8d.; Total, 10s. 8d.  
 Women : „ 2s. 2d.; „ 2s. 2d.; „ 2s. 1d.; „ 6s. 5d.

On this basis, the total contribution and the State contribution included in it are higher for men under the White Paper than in Northern Ireland, but for women the total contribution is lower and the State contribution is higher.

Other contributors to this symposium will doubtless discuss the financial and economic aspects of the White Paper scheme. The Northern Ireland benefits and contributions are the same as those of the British national insurance scheme, and the two schemes are intended to operate as a single system. There is no reason to suppose that either benefits or costs have been related to exclusively Northern Ireland conditions and resources. Even if time permitted, any attempt to examine how the cost of the Northern Ireland scheme will eventually be met would entail entering on an extremely recondite subject. I have heard it said in Belfast that only two persons alive understand the mysteries of the relations between Northern Ireland and United Kingdom finance; one of them is in the Treasury and the other is in the Northern Ministry of Finance—and they do not always agree.

The latest Northern Ireland Census giving information on "industrial status" is the Census of 1926; the position is not likely to have changed materially by 1936, but unfortunately the classifications in the two parts of the country are very different. Extracting data from the Northern Ireland Census of 1926 and the Twenty-Six County Census of 1936 (Vol. VI), I get the following results:—

Six Counties				Twenty-six Counties			
Percentage of the total population aged 12 years and over (1926) who were:—				Percentage of the total population aged 14 years and over (1936) who were:			
Employers and persons working on their own account	Male	Female	Total	Employers and persons working on their own account	Male	Female	Total
Unoccupied	20	4	12	Relatives assisting	25	7	17
Employees and out of work	15	64	41	Employees and out of work except those in hospitals, etc.	17	6	12
	65	32	47		44	19	32

*Mr. R. Henderson.*—I had not assumed that this symposium would take on an air of a debate on the principles upon which the White Paper reposes. Were that the case then a different approach to the subject would be indicated and there would be room for a discussion on an entirely different basis. Rather, I purpose approaching the subject from the objective angle of examining the proposed scheme as against the existing code of Social Security legislation. In the outset I would make the point that Social "Security" is a misnomer. The scheme sets out to remove Social *Insecurity* rather than to create an omnipotent and all-embracing code of Social Security.

Whilst one must agree with the objection that the small farmer, shopkeeper and other self-employed persons are excluded, recognition must be given to the fact that these do not depend upon a wage income in the same fashion as do those now to be included. Let us examine the proposed scheme in the light of existing legislation. It is proposed

to substitute for the present unco-ordinated provisions (some contributory, some non-contributory) a comprehensive contributory scheme supported by contributions jointly subscribed by wage and salaried earners, their employers and the State, without exception, whereby the beneficiaries will be entitled *without Means Test* to Disability Benefit, Maternity Benefit, Additional Remedial Treatments, Unemployment Benefit, and Mortality Benefits for the worker and family, Old Age and Widows' and Orphans' Pensions, all at higher rates of payment than now obtain. The scheme when implemented is to be administered by one Central State Department and, in passing, one cannot but regret that the administrative machinery of the National Health Insurance Society is to disappear and is to be replaced by a State Department. The machinery of the National Health Insurance Society did give some representation in administration of National Health Benefits to all the contributing parties, employee, employer and State, and it is difficult to understand the abandonment of that form of administration.

The attack on the scheme in principle surely comes rather late. The principles underlying the various facets of the scheme have been accepted for several decades, and the scheme, as a whole, as in its various parts, is no more than the response of the State to an urge and a demand from those affected and who dread the *insecurity* which sickness, unemployment, widowhood and old age bring in train. What does the scheme project that differs from the objectives sought in existing arrangements? Very little more than to co-ordinate the administration, remove the obnoxious Means Tests, provide at increased rates an equalisation of indemnity during unemployment, whether the unemployment is due to sickness or to inability to obtain work, improve in an active socially beneficial way the provisions for Maternity Benefit from a small and inadequate cash payment to a larger cash payment (£5 instead of £2) on confinement, with the addition of cash payment of 24/- per week for six weeks before and six weeks after confinement as an inducement to the mother to refrain from work during both the pre-natal and post-natal period, whilst the non-insured wife of an insured man will receive a lump sum of £5, together with a payment of £1 per week for four weeks following confinement.

One defect in the scheme is the adherence to the flat rate of contribution and of benefit, irrespective of wage. The dilemma of the flat rate is that the cost and the benefit are too high for some workers and too-low for those in higher income limits. The administrative difficulties of a wage-grouping system must be recognised, but it is a matter for regret that even some three or four wage-groupings could not have been tried. In many Continental countries this system of, in several instances, as many as eight wage-classes or groups is operated. True, the social organisation of those countries and the decimal system lend support to the facile operation of such a scheme.

The uniform rate of benefit as between Disability and Unemployment is a satisfactory change. Heretofore, the rate of Unemployment Insurance Benefits was higher than that of Sickness Benefit, which of itself was higher than Disablement Benefit. There was the inducement to avail—even when incapacitated—of Unemployment Benefit until the title for that was exhausted and to then revert to Sickness or Disablement Benefit. No such differential rates are to apply in the new scheme. A further and attractive feature is the disappearance of the provision of the National Health Acts where Sickness

Benefit is paid for 26 weeks, after which the insured person, if remaining incapacitated and having the requisite contribution qualification, passed to the reduced rate of benefit known as Disablement Benefit. It always seemed illogical that a person suffering from prolonged incapacity required a lesser money indemnity than the person suffering from a short illness. Many Continental schemes provided that where incapacity was progressively reduced so, too, was the cash benefit, so that the beneficiary was encouraged to make every effort to return to work as soon as his physical condition permitted him and not to convert a sickness indemnity into an unemployment benefit. The allowance for dependent wife and for two—but why *two*?—dependent children is also to be welcomed as a new feature in the Disability provisions.

The inclusion of a pension on a covenanted basis at an age earlier than 70 as at present for non-covenanted Old Age Pension (65 for men and 60 for women) is recognisable as a desire to make opportunity for the entry into industry of younger persons by giving an incentive to workers not to cling to work when they have passed the age of physical ability to meet the tempo of modern industrial organisation. It must be a matter of some thought as to whether industry which, in increasing degree, is providing as a primary oncost the benefits of staff pension schemes combined with payment of salary or wages during some part of the period of absence through sickness, will or can continue those provisions in the face of the higher charges which the new scheme invokes. The charges for Mortality Benefits, an entirely new feature, are included in the weekly contribution, but the temptation is to ask whether the Industrial Life Insurance Offices do not sufficiently meet that need and to speculate on the disturbance this provision must cause to their efforts to encourage voluntary mortality insurances.

Whilst repeating the regret that small farmers and other self-employed are excluded, the exclusion of Civil Servants, Teachers, Gardai and Defence Forces is difficult to understand. It can hardly be argued that these are already provided for, to some degree, by other arrangements as part of their employment, but the same can be said in increasing degree for many industries under private enterprise.

No mention is made of where the money to provide the Additional Treatment Benefits is to come. The recourse to these are likely, with the extension of the number of insured persons to be included, to increase in volume, and the past experience in this country and in the all-in scheme in Great Britain in regard to both Dental and Optical Benefits cannot be lightly ignored. The demand might outrun either the financial capacity or the supply potential, as happened in Great Britain.

Finally, it is noted that Workmen's Compensation is not to be included. Workmen's Compensation presents many factors of great difficulty when taken in conjunction with a flat rate scheme. Occupational risks vary with the hazards of particular industries, and any flat rate scheme would undoubtedly present many glaring inequalities in the charges on particular industries. The decision to omit Workmen's Compensation is a wise one, and a very careful examination of the whole subject of Workmen's Compensation would require extreme care and close study before incorporating that as an insurance into the proposed scheme.

Finally, congratulations to the authors of the White Paper must be repeated for the lucidity of its presentation, and if there are features omitted which many would like to see, the reason are surely made obvious in the paper itself.

*Professor Joseph Johnston, S.F.T.C.D.*—The first impression I got from reading this White Paper is that it is inspired by a desire “to keep up with the Joneses”—up in Northern Ireland. The taunt that their social services are “better” than ours has reached its mark. The truth is that the real working population of that area have up till now rather envied us our comparative freedom from the strait-jacket of the social services which, in their and the British case, threaten to become a Nessus robe. One thing we must remember: Northern Ireland is still part of the British economy, which is much larger than ours and has a much higher income per head. The frog in Aesop’s fable that blew itself out to resemble an ox was slightly ridiculous.

I know a farm in Northern Ireland run by two ladies—a mother of over 80 years and an unmarried daughter. It contains 50 acres, has a gross output of over £1,000, and a farm profit of over £400. They can obtain no *permanent* male help. The social services are much too good. In the neighbouring town a numerous family in one house is said to be drawing £400 a year from these “services”, as they are expert at acquiring the necessary certificates and qualifications.

Most Northerners have a healthy prejudice in favour of being paid for work rather than idleness, and they like the “social services” aspect of their membership of the British economy not too well.

The second impression I get is that the White Paper is an admirable example of the persistence of British administrative techniques in an Ireland that achieved political emancipation more than a quarter of a century ago. The “back room boys” in our highly centralised and departmentalised public administration have done a fine job of “co-ordination”, complete with all the necessary actuarial and statistical trimmings. Has any real social inquiry into the human side of the actual working of the present social services taken place, and if so, why are its results not more apparent in the White Paper? Must we remain hag-ridden by British administrative institutions and methods forever?

I am all in favour of co-ordinating all our social services on the British model so far as our industrial and commercial populations are concerned, with due regard to the limitations of our national income.

There were sound reasons for the original exclusion of agricultural employees and domestic servants from employment insurance and those reasons are still valid.

The existence of the Irish dispensary system was hitherto considered an adequate reason for not extending treatment benefits under the National Health Scheme to Ireland. I don’t quite see where the dispensary system will stand under the new scheme.

I consider it most unwise to extend unemployment insurance to agricultural wage earners. There are over 100,000 of these and a high proportion of them is classified technically as “temporary”. But actually there is, so far as my experience goes, no real redundancy of agricultural labour in the country, and in many areas there is an acute scarcity of such labour. Has any inquiry been made as to the incidence of agricultural unemployment—if it exists?



There are only about 50,000 farmers who employ any agricultural wage-paid labour at all. In some cases (one could easily find out in what proportion of all cases) the employer pays the whole cost of the weekly contributions. In time of sickness the employer goes on paying full wages and in due course recoups himself to the extent of the National Health Benefit. Has any inquiry been made as to the extent to which this actually happens?

The agricultural worker, though by no means overpaid, is in fact far more than a mere wage worker. He is a junior partner in a common enterprise, and his relations with "the master" are much more personal and human than is possible in most other wage-paid occupations. He enjoys a degree of economic security which many industrial workers might envy. The State will antagonise both parties in the agricultural wage contract if it persists in applying unemployment insurance to agricultural workers.

The new scheme will be felt to be a tax on employment in the first instance and will operate directly to decrease the demand for labour. The employer is asked to pay 3/6 a week instead of 10d. and the worker 2/6 a week instead of 9d. The employer who formerly paid the worker's share of the contribution when it was only 9d. will jib at paying 2/6 a week on his behalf. The worker will thus be worse off than before and the employer less able to afford to raise his wages. Anyhow, if there is no serious incidence of unemployment in agricultural labour why should 100,000 agricultural workers be expected to pay from their exiguous incomes part of the insurance cost of unemployment in much more highly-paid urban occupations which have a much heavier incidence of unemployment?

The insurance levy will act as a tax on industrial employment also. However, the industrialist is able, and only too willing, to transfer this and all other elements in his labour costs to consumers in the form of higher prices. In the case of agriculture only the Beet Growers' Association can be looked on as an effective "pressure group" with a corresponding capacity to shift its labour cost burdens. The dairymen who sell whole milk for urban consumption have a similar capacity but in a much smaller degree. With these possible exceptions, in our agriculture as a whole the burden of the tax will rest where it falls—on the shoulders of the farmer and his workers. This constitutes another weighty reason why agriculture should be exempted.

In fact, if applied to agriculture the new scheme will undermine morale and create discontent as well as unemployment. An agricultural labourer with a wife and two children can get under it 37/- a week for doing nothing. Why make idleness so financially attractive unless we want to create it where it does not now exist?

Agricultural workers of 65 and over are often in the prime of life. Why bribe them to stop working by making it a condition of their pension of 24/- a week that they should *retire from employment*?

The people of Northern Ireland are extremely doubtful about the wisdom of the social services they have to maintain. In this connection we must remember that their output per person occupied in agriculture and per acre was much the same as ours from 1922 to 1932. During the years which the locusts of *Economic War* devoured down here the *volume* of agricultural output in Northern Ireland increased by 30 per cent. Ours "stayed put" with an altered pattern and a slight tendency to retrogression. After 1939 the *volume* of agricultural output was, with a mighty and creditable effort, kept stationary

in both areas. If the volume of our agricultural output had increased by 30 per cent. after 1932 our agricultural income would now be £30 millions more than it actually is, and our national income £100 millions more. We would then be as well able to afford the luxury of social services for agriculture on the Northern scale as the Northerners are—and they say they can't afford them at all. If my sample impressions are in any way typical, surely there is a case for further careful inquiry before we take the plunge. In the meanwhile our first national task is to make good our arrears of agricultural progress and increase our national income by £100 millions.

We can then afford to consider the application of this scheme to agriculture and will probably decide that we cannot afford it.

If Senator Richards Orpen's scheme of "economic units" for our agriculture was as common in practice as it is in fact rare, it would be quite easy to work out on a regional or local basis a system of social services for agricultural workers (and employers) under local responsibility and local financial control, which would provide for all desirable objectives more comprehensively even than the centrally-administered White Paper scheme ever could. Such a development would represent a genuinely Irish social tradition, revived at long last, and a healthy departure from British administrative methods, which are no more appropriate to our peasant economy now than they were in the days when it was customary to denounce them from every Home Rule platform.

In short: "Hands off our Agriculture", and if we must imitate "the Joneses" let us imitate their indigenous economic virtues rather than their exotic social extravagances.

*Mr. John McElhinney.*—The White Paper on Social Security represents the attainment of one of the important ideals of Labour in Ireland. The industrial and political power of organised Labour has for many years been directed towards the goal of Social Security. The Trade Unions found that while they could protect the workers' interests in connection with his employment, they were unable to manage or administer any satisfactory scheme to provide for the widespread and complex requirements of Social Security. Realising that only the State, with the co-operation of employers and workers, could undertake this responsibility, the workers, through their Trade Unions and Labour Organisations, have been agitating for a comprehensive scheme of Social Security to be administered by the State. The Government White Paper may have defects and shortcomings, but every organised worker, and indeed every worker that will benefit by its proposals, will hail this scheme as the most progressive social legislation of our time.

The extension of full social insurance to Agricultural and Domestic workers is particularly welcome, and it should have the effect of considerably improving the standard of living of these workers, who, for the most part, are not organised in Trade Unions; they have to rely almost exclusively on legislation to improve their social condition.

In my opinion, the most important effect of the proposed legislation will be the stabilizing influence that it will have upon the workers generally; it should directly influence trends of migration and emigration. The greatest evil in our present economic system is the lack of continuity and security in employment. Many of our industries are subject to violent fluctuations affecting the employment of the workers. The proportion of casual and intermittent employment is

much too great. The new scheme should ease this position in two ways: (a) alleviating the plight of the worker during periods of unemployment; (b) increasing the incentives for the worker to seek work in his own country.

Turning to the details of the White Paper, provision of retirement pensions at 65 years for men and at 60 for women is considered by the workers as the outstanding feature of the proposals. This will ensure that in future our old people will not be left destitute after years of hard work. No longer should we see the spectacle of many of our older workers trying to continue working after their vitality has been sapped by 40 or 50 years of hard work, working when they should have been enjoying a well-earned rest, because there was nothing but poverty and destitution awaiting them at the end of their working days. Almost equally important is the provision of allowances for dependents during sickness or other physical disability. For those with experience of social work among the lower-paid workers there is no necessity to stress the value of this proposal. It is a sad feature of our present social legislation that when the breadwinner is struck down by illness his income should be cut down to a bare subsistence for himself; no provision is made for his dependents at a time when the worker is helpless to assist them himself. The Minister is to be congratulated upon the introduction of the credit system during periods of unemployment and sickness, so that benefit shall not be lost for these reasons. Another very desirable proposal is that dealing with the payment of disability benefit. Heretofore, in the case of male adults whose illness continued for more than six months, their benefit was reduced from 22/6 to 15/- per week. This had the effect of forcing men to return to work before they had recovered from their illness; this was particularly true of married men, who found it impossible to exist on 15/- per week. It is now proposed to continue the full benefit for the duration of the disability.

We hope that lower-paid employees of Local Authorities will be included in the final scheme. This will not be a simple matter, however, as most of these workers are already covered by the Local Government Employees Superannuation Act, 1948. It would appear that the Government must now adopt one or other of the following courses: (a) to bring these workers into the new scheme with the exception of the Retirement Pension provision, and have their contributions reduced by the amount reckoned as representing the contribution to that part of the scheme; or (b) to exclude them altogether from all provisions of the new proposals, in which case the Local Government Superannuation Act would have to be amended to provide for the sickness and unemployment benefits. The cost of contributing to both schemes in full would be too great an impost on the wages of the lower-paid employees, many of whom are paid between £3-0-0 and £5-0-0 per week. The reference made in the White Paper to Workmen's Compensation would lead one to believe that it is not the intention of the Government to include it in the proposed legislation. This comes as a great disappointment to workers generally, as it was believed that the comprehensive scheme would embrace Workmen's Compensation. The present Acts governing Workmen's Compensation are out of date and are very unsatisfactory from the workers' point of view. Even now we would urge the Minister to include Workman's Compensation in the scheme.

It is not possible in this short address to deal in any great detail with these proposals. I shall, therefore, confine myself to two final

observations. The White Paper has now been discussed fairly widely by organised workers; the general reaction has been very favourable. Workers will not complain about the increased contribution required from them towards the scheme; they will look upon it as an investment in their own future and the future well-being of their children.

Social Security will have critics, those who talk about a Welfare State; but for the workers, this Social Security scheme opens up a new vista in which want and destitution shall be banished and in their place security and freedom from want shall be the lot of those who toil.

#### OPEN DISCUSSION AT END OF SYMPOSIUM.

*Mr. Shaw.*—I have great admiration for the well-directed remarks of Mr. Eason and particularly of Father Coyne. It is very seldom at our meetings here that we hear such forthright expression of opinion as Father Coyne gave us. I think others of us here could add to Father Coyne's remarks.

I would like to refer also to Mr. Henderson's remarks on the National Health Insurance Society. I think to cast aside this Society is a great loss in the administration of welfare in the community. The Society is established very much on vocational lines, which I think are most desirable in these days when so many States are departing from old principles and putting us in the hands of departmental control.

As regards the Paper itself, reference was made to the cost of the scheme being shared as to one-third each by the employee, employer and the State. That only applies on an actuarial basis to a new entrant. I think that the White Paper is inadequate in dealing with the cost of the scheme, and that the full facts should be estimated better than they are. We are only given an estimate for five years ahead, and the cost in 10 or 15 years after that should be estimated and determined.

Some idea as to how far such benefits are wanted by the community and are not forced upon them for one reason or another—perhaps by one Party in competition with another—may be gained from the position in New Zealand, where, within the past week, we find that the Party who introduced them, and secured a term of office in doing so, are now being turned out because the cost has proved too heavy a burden on the community.

*Mr. P. S. O'Hegarty.*—I agree wholeheartedly with Father Coyne. I object to the principle of the scheme or similar schemes. The more that is done for some people, the less they will do for themselves. The proposed scheme is another step on the road to totalitarianism. It will not end where it is, but will be extended to other things, on the assumption that everybody is entitled to be kept by the State.

As regards the National Income, when this artificial figure was first brought out by a Government Department five or six years ago, I pointed out that it was an illusion, and that the only use that would be made of it would be to increase taxation. One justification for the scheme given by the White Paper was that the cost of it to the State would be only 3 per cent. or 4 per cent. of the National Income—but what is the National Income? It includes pensions, for instance—other than old age pensions—and also the estimated amount

of produce used by a farmer for the consumption of his own family. Only as much of the National Income as is proper to be taxed ought to be considered. Thousands live on very small pensions or on small dividends—all that class of people who cannot increase their wages are included in the national income. There will inevitably be increased taxation on account of this scheme. It is assumed in the White Paper that only £4 million will be provided by the State. Who will provide the rest—the 3/6 by workers and 3/6 by employers? There are two classes of employers—the large employers who can afford to increase the cost to the public to cover the 3/6, and other employers who cannot do this. The latter will have to dismiss some of their workers. They cannot afford to pay the 3/6 in their present condition. Those employers who used to pay the worker's contribution when it was lower will have to stop this practice now. The well-organised skilled trades, like the bakers, printers and building trade, will get their 3/6 back in increased wages. The contribution will come heavy on such workers as cannot get any part of the contribution back in this way. The net result will be that the whole cost of the scheme, with probably some small exceptions, will fall on the shoulders of the community in increased taxation. The Government can only justify £4 million by direct taxation—the rest will be obtained by increased cost of living.

I differ from Mr. Henderson when he says that all these schemes are demanded by the 700,000 who are going to benefit. Earlier promises of 9d. for 4d. became 4d. for 9d. I think it would be a good thing if the people were first asked if they wanted the scheme. My own experience of domestic servants and a part-time gardener is that they pay for benefits they never got. One girl who was ill for seven days got nothing for the first three days and had to wait a long time for the four days' benefit. They resent most bitterly having to pay that money week after week, and they will resent much more having to pay 3/6.

There is no reason whatever for bringing into this scheme Civil Servants, National Teachers or the police, except for the purpose of taxing them. Neither is there any reason for bringing in domestic servants and agricultural workers. After about eight years a domestic servant may get married—will she get her contributions back? No—they will be used for paying the people who will operate the scheme.

There has been no examination of the reactions of the ordinary people to the payment of the contribution, and no setting out of how the money collected is to be used or what proportion of the people insured do really benefit.

*Mr. Rowland Healy.*—I am reluctant to disagree with Mr. Eason, but I must stand up for the Department. I think he did them less than justice in criticising the title of the White Paper. I think I was taught that the first syllable of the word "secure" was a shortening of the Latin word "sine". I rather suspect that the title was a happy choice for a Paper that foreshadows the making of a number of sinecures.

I have two points to make. The first is that I think we should use the tools we have got—adapt them and use them. There is nobody who feels more strongly than myself how wrong it is to use British administrative methods in places where they are not suitable. In fact, I once wrote a paper about it, and it was actually printed at the expense of the British taxpayers. In this country it is nonsense

to talk of British administrative methods. It is quite true that they started in Britain, but the same administrative system has been ours all our lifetime and is ours now. I think, in the main, the British administrative system is quite a good one for here because we are used to it. A hallmark of that system was the use by it of voluntary work. The best part of the foundation of all the British social administration set-up was that the people who could afford to and were public-spirited enough to work for nothing did so. We should cling to that practice. It is, of course, extremely difficult to link voluntary workers up under any State-aided scheme. If it could be done, it would be well worth while.

Now, for my second point. At the top of Killiney Hill there is an interesting inscription on the obelisk, which reads: "The last year (1748) being hard on the poor, the owner of this ground has built the wall surrounding this park". A fine old tradition! The year being hard, the poor got a living and we got a wall. It was found much better to provide them with work rather than with 50/- a week. I have met people out of work from time to time. All said to me not that they wanted 50/- a week but that they wanted work. Would it not be better to aim at giving them work rather than giving them a minimum income? I do not think it should be impossible. There is any amount of work like road-clearing, whitewashing hospital walls, etc., which would provide employment rather than this kind of social security, which is, in effect, the creation of a multiplicity of sinecures.

*Mr. F. C. King.*—There is one little passage in the Report which I should like to mention. It is an example of the cynicism in which the report has been prepared. This passage sets out to extol the benefits and the blessings of the Public Assistance schemes for the self-employed and the non-employed, whereas the whole object and purpose of the scheme, as Father Coyne has pointed out, is to save the employed people from the degradation of Public Assistance. The paragraph reads:—

" 52. The needs of those outside the employee class, taken as a whole, may be as great as within that class, but, while one may be reluctant to differentiate between one section of the community and another, inherent differences between their ways of life cannot be ignored. It may be that, all things considered, the best solution of this problem is not to attempt to include such persons in the compulsory insurance scheme, but to retain for them the assistance schemes relieved, as far as possible, of any objectionable features. If that be so, it should be recognised that all the advantages do not lie with those who are in the insurance scheme. The insured person may, with some justification, feel that a more equitable spreading of risks would be secured if all classes were included, and that he is obliged through taxation to contribute on equal terms towards assistance schemes from which he may expect little in return, whereas the non-insured person makes no special sacrifice for the assistance schemes corresponding to the insured person's compulsory contributions."

In other words, the self-employed and the non-employed people have to contribute to the insurance scheme to prevent the insured people from having to have recourse to Public Assistance relief, while the non-employed and the self-employed are to have the great advantage of the Public Assistance schemes, from which the insured people are to be saved by the State.

*Dr. Collis.*—The White Paper appears to most of us here as a victory for the stronger urban trades groups at the expense of the self-employed men of the country, particularly the small farmers. It is these latter who, in the end will have to pay. Not many of them clear £3-£5 a week or can afford only to work an eight-hour day with an hour's luncheon interval. It seems nonsense to me that these people who are the basis of the whole country's economy, should be left out of our proposed social security system.

I am sorry there is no time to talk of alternatives. Perhaps there will be an opportunity at a future meeting to put forward alternative suggestions.