All single pensioners under the supplement will now receive $50 more per month from now until Christmas on top of the three cost of living increases which they will receive every three months as usual. That boost will bring pensioners up over a decent line of income in order to protect them once and for all. In other words, we will have two increases of $25 more a month. The first one will be in July and the other one in December, on top of the usual indexation to the cost of living. That money will go to roughly 750,000 Canadian pensioners, single, alone, most of whom are women. Since it will lift the level of income over which people qualify for help, it will bring in about 25,000 new pensioners who will start to qualify for some modest supplement to help them fill the gap in their other income. I think this is extremely good news.

On top of that, I will introduce in the House in the spring this year, in the same Bill probably, something to help immigrant seniors. We changed pensions for immigrants in 1977 to make things more equitable. Before it was all or nothing for them. We observed that we may face some disparities in the future. We now have a fair system. By this new amendment we will make it not only fair but practical. All immigrant seniors, even if they are in Canada for a short period of time only, can be assured by this Budget that now they will be on the same basis as all Canadian pensioners. That is what this Bill I will be introducing will do. I think it is very good news and is why I was able to state at the beginning of my speech that I think public pensions will be okay in Canada for a long time to come. They are indexed to the cost of living and will continue to keep their real value. That is very good news as well.

● (1130)

Also we announced in the Budget and in summary booklets, as well as in the technical explanation, that we want to see pension reform started in Canada. What do we mean by that? I think it is the key dossier. We are now talking about medicare. I do not want to presume but we will pass—and the Parties have promised it—the new Canada Health Act. Therefore Canadians will not be required to pay extras when they are sick, must go to a doctor or to hospital. That will be so for years to come, for decades to come.

But what is the next important issue which we in Canada will have to discuss, to address and to solve in the area of social affairs? I would submit that it would be the dossier on private pension plans. There are people in the galleries who are from Ottawa and perhaps other parts of Canada. There are people listening to the debate in the House of Commons. They hear what the politicians are discussing. Some of these people are employed by companies, be they public or private, municipal governments, small private companies or large multinationals. They are people either with or without pension plans. They may be people with good pension plans or bad ones.

The reality in Canada today which we have to face is that 55 per cent of Canadian workers or the majority—and I am just talking about workers on payrolls—do not have company pension plans; they do not have private pension plans. If they were unable—and I guess that includes the majority of Canadians—to build little private pension plans for themselves, to put some savings aside or to buy homes, at age 65 they will experience a sudden drop in income of at least $10,000 on average. They have been paid better wages, they reach the age of retirement and their income will drop very abruptly to that of the public pension.

We are lucky to have a universal public pension. Only two countries in the world have it—Sweden and Canada. Once public pensions are fixed and are good for everyone, it is important to ensure that the vast majority of Canadians, the middle class, do not lose through a sudden disruption in income the good standard of living which they have been able to build for themselves over the years. That is what the Government is addressing in the Budget which the Minister of Finance presented on Wednesday of last week.

We are addressing pension reform. We have only started. We could have been bolder, but as Canadians agree we should try to develop jobs first and then slowly build in good pensions for the future. We have started first with the Canada Pension Plan because it is our direct responsibility. At the same time we will negotiate with the provinces in order that they confirm their agreement. I understand they have given indications to that effect. We propose that better pension rights should be given to homemakers or survivors at home. This means that we propose compulsory credit sharing on marriage breakdown, unless both spouses agree to forgo that right. Otherwise it will become the rule of the game. When both people have reached age 65, the credits will be automatically split between them and those who remarry will not lose their survivor's benefits. That is excellent news for women in particular as well as for many Canadians.

Then we will propose a series of amendments—and I think this will be done by the Minister of Finance later this spring—to a federal piece of legislation called the Pension Benefit Standards Act. This is not the time to get into the technicalities; they will be discussed with all Hon. Members in due time, when the Bill is presented. However, in a nutshell the amendments to this federal legislation will make ideal, if I may say, the pensions of Canadians whose jobs fall under the federal Government. For example, I am referring to people in banks, in transportation companies, in broadcasting and communications companies, et cetera.

These pensions will be ideal because we will make it mandatory that they have perfect portability when people change jobs. They will have survivor's benefit pensions at 60 per cent of the pension of the working spouse and they will have a measure of protection against inflation, vesting after two years of work. It belongs to the worker and follows the worker through various jobs in his working life.

Then there will be the division of pension credits on marriage breakdown in order to be more fair to the two spouses who, after all, helped build the pension. And, at long last, we will eliminate the infamous sex discrimination in the actuarial tables. In other words, we will have unisex tables to calculate the benefits of women so that they will be identical to those offered to working men.