

Hon. Mr. Croll: Survivorship is the only thing that is necessary.

Hon. Mr. Thorvaldson: You should have in it survivorship benefits, and you cannot have those survivorship benefits without an amendment to the Constitution to provide for them. In regard to that, I think it is generally conceded that perhaps the greatest vacuum present today in our social security system is that there is no power to include this kind of benefit in a federal system.

May I say a word or two in regard to what is happening today? As all honourable senators know, of course, the flat rate pension started in 1952 at \$40 a month to persons of 70 years of age or over who had residence qualifications of 20 years. The rates have since increased to \$75 and the residence qualifications have been decreased to 10 years. Those are the main changes that have taken place in this system over the period since it was inaugurated in 1952.

The next step taken in regard to these matters was the appointment of Professor Clark to study the whole system of pensions both in the United States and in Canada. I have before me the two volumes of the report that was made by Professor Clark. I commend it to anyone who wishes to become well informed on these matters. The report was presented to the House of Commons in, I believe, February 1959 in mimeograph form, and the printed report came along in July 1960. Subsequently, I believe in January of 1962, the former Prime Minister wrote to the premiers of all the provinces asking for consent of all provinces for an amendment to the Constitution in order to be able to pave the way for a contributory system that would have the provisions to which I have referred, namely, in respect of survivorship, and so on. However, as all senators will recall, the political situation was unstable in those years and, of course, nothing has happened in regard to amending the Constitution. In other words, the attempt to amend the Constitution in 1962 failed.

I now wish to make a few references to the present plan, which is called the Canada Pension Plan. This was first proposed in the election literature of the present Government in 1963. That literature contained a huge "carrot" at the end of a big "stick". It was proposed that there be enacted a contributory pension scheme; but tied to that there was to be a \$10 increase in the flat old age pension as part of that program. I say, honourable senators, what a "carrot" and what a "stick" that turned out to be.

As you know, the next step occurred on July 18, 1963, when the honourable Minister of National Health and Welfare introduced her plan to Parliament. You all know what

happened to that. Certainly as far as the Opposition in the other house was concerned, it was deemed an impossible situation, to tie to the contributory pension plan the "carrot" of a \$10 increase in the flat old age pension which, presumably, was to be financed out of the funds obtained by that plan. In the result the two plans were separated and the \$10 increase in the flat old age pension was taken out of the plan and enacted into law and made part of the flat rate scheme. In the result we now have the flat rate pension of \$75. That is approximately the history of the situation until today.

What is the position at the present time? We understand this plan is to be introduced in the other house in the form of a bill. We are led to believe also that a committee, presumably a select committee of the House of Commons, is to be appointed to deal with this matter and, presumably, to hear evidence.

I say, honourable senators, in the light of what has been done in the past, this is a complete break with the traditional way of doing these things. I say that, instead of the bill being presented in the house and thus becoming what it must become, a political football to be kicked around in a political arena both in the other place and here, this whole scheme should be presented either to a joint committee of the House of Commons and the Senate or, alternatively, to a special committee of the Senate, or, if neither of these two, then to a public commission of inquiry. What I personally deem to be of the utmost importance in regard to this whole matter is that this inquiry should take place before any bill is presented in the House of Commons; I feel that one of the worst things that could happen in this country would be to have such a bill presented in the other house and be kicked around there like a political football.

As everyone knows, there is tremendous controversy among the people of Canada in regard to this so-called Canada Pension Plan. The newspapers are nearly unanimous in demanding that there be this kind of inquiry that I suggest, and not a political inquiry, into this whole problem. I have here scores of newspaper editorials from which I could read excerpts showing that they look upon this whole situation with a great amount of fear, and they demand that a non-political hearing be held in regard to this whole question. Every newspaper says: Why is the Government in such haste? Why cannot we take steps in this enormous project similar to the ones that were taken in regard to the old age pension system which was adopted in 1952?