

*Canada Pension Plan*

have earnings in excess of \$1,000 in order to make valid CPP contributions in 1975. As it is, the 1975 basic exemption for both employee and self-employed contributors is \$700. With all these plan design features, it is hard to understand the reason for proposing the further—and, indeed, perhaps unnecessary—linking of two statutes when each on its own is already extremely complex, and particularly when there are fundamental dissimilarities both in the time dimension contemplated and the rate structure.

Even if the desirability of this mixed marriage could be established, the motion does not treat of some very important particulars. For example, under the Income Tax Act all forms of income are included in the averaging formula. The Canada Pension Plan, on the other hand, covers only earnings from employment. What adaptation, if any, is to be made? Another question unanswered is the timing for the exercising of an option in favour of a five-year averaging. The CPP already provides for an averaging period that ranges from 10 to 47 years: at what point in this averaging period should a further averaging be allowed? The best time is obviously at the time the benefit is being calculated, but a proper choice could not be made without a careful examination of up to 47 years of earnings and a full understanding of the way earnings are averaging and adjusted, and then the decision could involve a reconciliation of all the contributions made over those 47 years. On the other hand, any choice made before retirement time would of necessity be a blind choice, and accordingly there would seem to be reason for remedies when an unwise choice resulted in either overpaid benefits or the loss of benefits altogether.

In summary, the proposition contained in the motion is built on a faulty assumption of the empathy between the Income Tax Act and the CPP. It does not take into account the earnings averaging and adjustment provision already in the plan. It would involve a complicated effort on the part of both the individual contributor and the plan administrators. Finally, it would have no real effect in the great majority of cases and indeed could operate to the disadvantage of some. Therefore, Mr. Speaker, I think I have given just reasons why I oppose this motion.

**Mr. G. H. Whittaker (Okanagan Boundary):** Mr. Speaker, I should like very much to compliment the hon. member for Elgin (Mr. Wise) for bringing forward this motion today. He did not have to speak very long: he only spoke ten minutes because his presentation was so realistic and logical.

**An hon. Member:** Say that with a straight face.

**Mr. Whittaker:** The hon. member asks, can I say that with a straight face? I certainly can say it with a straight face, especially after the presentation we have just heard, lasting a full 20 minutes; a dissertation, you might call it, written almost right out of book by some city slicker and read by the same, not really knowing or understanding the problems of the farmers. There is an old saying that farmers live poor and die rich. But that saying is very fast changing and very fast leaving, because not only are they living poor but they are dying poor, especially when we see the rate of inflation that we have in Canada today, and

the government opposite doing very little or nothing about it.

When you talk about averaging for such things as the CPP for farmers, it is realistic. It is realistic when you know and understand what farmers go through, the differences in their earnings year by year, and when you know that they cannot always make a good earning. One year you could be in almost a loss position and the next year you could be doing very well.

There is not much stability in agriculture in Canada today, although I am happy to say that our government in British Columbia is trying to put some stability into the industry—much more than this federal government is doing. It is because of this that we have to ask for such things as averaging for the farmers with respect to CPP.

I am sure the hon. member for Winnipeg North Centre (Mr. Knowles) is going to support this motion. Not like he did last Friday, when the government opposite came in and challenged a motion that would allow people who had overseas service to count it as presence in Canada so they could get an old age pension. When this motion was brought into the House it was challenged by the government opposite because it was going to a money bill. Funny money, I say. There was not much to it, but I was very sorry to see that the hon. member for Winnipeg North Centre saw fit to support their challenge. I am sure he will not see anything that will cost the government any money in this motion today. I sit here quite often when private members' motions and bills come up, and listen to the crocodile tears from the members opposite.

**An hon. Member:** Shame!

● (1730)

**Mr. Whittaker:** Shame is right. The hon. member speaks of shame. I say "shame" when they cry crocodile tears and then spend the remaining time talking out a bill.

**An hon. Member:** Who is talking now?

**Mr. Whittaker:** I shall not take long. I am sure this motion will not be talked out and will pass. I shall not take much more time because I do not want to see too many crocodile tears but rather some action. I want to see the members opposite pass this motion rather than give us dissertations such as the last 20 minute dissertation from the hon. member opposite. These farmers are the backbone of Canada.

**Some hon. Members:** Hear, hear!

**Mr. Whittaker:** They are not receiving any help from this government. The hon. member asks about the Stabilization Act. It is a disaster. I suggest that he take a look at what the provinces are contemplating doing about stabilization for farmers. He should understand what is going on because the federal government is not placing the proper base under farming. So, as I said, I support very strongly this motion of the hon. member for Elgin and hope that members opposite will not spend the next 25 minutes or longer talking it out.

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, I did not rise on a point of order when the hon.