

*Senior Citizens Advisory Assembly Act*

● (1810)

However, to ensure that this does not place too onerous a burden on plan sponsors, mandatory increases are limited to a maximum of 8 per cent and will be applicable only to benefits earned after the effective date of legislation. Of course, I am also confident that many employers will extend these increases voluntarily to benefits earned prior to the legislation coming into force.

Workers who for one reason or another change jobs will be assured fair treatment by improvements in vesting in portability of private pensions. That is, employees will have a right to benefits arising from employer's contributions as well as their own after two years of participation in the plan. Terminating employees will be able to transfer the value of these vested benefits into a new retirement saving mechanism called a registered pension account or an RPA. The RPA will be like a Registered Retirement Savings Plan except that there will be a penalty for cashing it in before retirement. Vested credits may also be left in the previous employer's plan or transferred to the plan of a new employer.

All of the changes which I have mentioned will increase the amount of benefit which women can expect to receive from private pension plans. However, additional changes are planned to ensure that women will also be treated more fairly in the future by increasing the proportion of private pension income which they receive. In that regard, all plans will be required to provide pre-retirement and post-retirement survivors' benefits. Survivor benefits will no longer be terminated on remarriage. Pension credits accumulated during a marriage will be split equally on marriage breakdown. Pension benefits will have to be equal for males and females retiring under identical circumstances.

Problems were also identified during the debate with respect to the provision of tax assistance to save for retirement. In particular, it was found that the amount of tax assistance received depended on both regular lifelong contributions and upon the type of plan to which contributions were made. That is, those unable to contribute in certain years because of other family responsibilities would not be able to make up those contributions later and persons contributing to defined-benefit plans were able to save much more than those whose only choice was to use RRSP's.

The proposals announced in the Budget will correct both of these problems. Tax filers will be able to carry forward any unused deductions and virtually the same amount of assistance will be available irrespective of the type of plan or whether or not the employer contributes. These reforms to public and private pension plans are expected, in the long-run, to increase retirement income by up to 20 per cent and to distribute benefits much more fairly than the current system.

In addition to the examples of pension reform and income security, there are many other programs, sponsored by the federal Government, which open the lines of communication and involvement between the federal Government and Canada's elderly citizens. One example of a highly successful initiative is the New Horizons Program which helps seniors to define their own needs and to develop and implement activities

to address these. New Horizons was established to help reduce loneliness among the elderly by encouraging participation in group activities. During the 12 years this program has been in operation, it has financed nearly 25,000 projects involving the participation of perhaps three quarters of a million retired Canadians.

In addition to meeting the primary objective, that is of reducing loneliness, the activities funded under New Horizons have addressed many previously unmet needs of both older and younger segments of our population. For example, many projects such as meals-on-wheels or the undertaking of home repairs for other seniors or the disabled have been of a service nature. By the way, this has been done in my own riding. The New Horizons program has also done a great deal to increase communications between seniors and the Governments through the development of seniors' networks, the establishment of headquarters and organizational structures, the provision of leadership training and the undertaking of membership drives.

● (1815)

Another example of a successful federal initiative to increase the involvement of seniors in identifying the problems of the aged was the establishment in 1980 of the National Advisory Council on Aging. During the four years which this body has been in operation, it has also had impressive results. For example, it undertook the preparation of the report on non-governmental organizations to the World Assembly on Aging in Vienna, an undertaking which involved several months of extensive consultations across Canada. It has also prepared several other briefs and publications, participated in national and international meetings and established a reference centre which makes information on aging very much more widely available.

While the council has made an impressive start, it recognizes that much remains to be done. Consequently, its members have set for themselves an ambitious program for the future. Included in that program is the establishment of a plan to ensure that the concerns of seniors are adequately voiced and reach the ears of those who can do something about them. The issues of health, income, housing, education and communication and the followup to the second Canadian Conference on Aging are five issues which have been selected for immediate action by the council.

In summary, I would like to reiterate that the participation of seniors in developing and implementing the policies which affect them is a matter of the highest priority for the Government. Moreover, the committee of the federal Government to the objective of listening to the concerns of seniors has not only been met, but the Government continues to act to respond to these concerns through program changes such as GIS increases and pension reform as well as other initiatives such as New Horizons. Finally, the National Advisory Council on Aging performs very much the same function as the proposed assembly would have performed.