

Canada Pension Plan

plans. I wish to make it abundantly clear that the full 2 per cent will be paid in respect of services rendered prior to the start of the Canada pension plan, since there is to be no reduction in the pension rights which have already accrued to a contributor.

Perhaps I may be allowed to say a word about disability benefits. The method by which the superannuation pension benefits are calculated in the case of ordinary retirement would be applied immediately in the case of a disability retirement where the disabled person was entitled to disability benefits both under the Canada pension plan and the Public Service Superannuation Act. In other words, a person becoming disabled would be dealt with in the same manner as a person reaching age 65. I am also concerned to make it clear that there would be no reduction in widows' and children's benefits under the Public Service Superannuation Act following the co-ordination of the two plans.

Mr. Speaker, may I sum up by stating that the co-ordination of the two plans will provide civil servants retiring on immediate pension with at least equal, and probably slightly higher, over-all benefits for some years at no extra cost to them. I should also add at this juncture that the approach I have attempted to explain to the house was recommended to the Minister of Finance (Mr. Gordon) by the advisory committee under the Public Service Superannuation Act, representing the official and the staff side of the public service.

Before concluding there is one other point which I might bring to the notice of the house. A similar review will be carried out wherever this question of double participation comes up under pension plans for which the government is responsible.

I do not think, Mr. Speaker, that I can usefully employ the time of the house any further on this subject. I hope that my few remarks may have been of some help to all hon. members.

[*Translation*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I found the remarks made by the parliamentary secretary to the Minister of Finance (Mr. Pennell) most interesting. They have brought some enlightenment on the bill now before us. As last speaker of the official opposition, I should like, at this stage of the business of the house, to make a few observations concerning this very important measure.

Several hon. members criticized, so to speak, the government of the province of

Quebec for wanting to secure the full and complete control of the large amount of money which will accumulate through the contributions paid in the province of Quebec.

May I point out to the house that the British North America Act gives full and complete jurisdiction to the provinces in the field of social security, and if the province of Quebec wishes to administer the fund and distribute it as it sees fit, this is consistent with the constitution, it is its concern. Furthermore, there is nothing to prevent any other province from doing the same, from following the example set by the province of Quebec.

Instead of borrowing \$200 million from British Columbia as it did recently, the government of the province of Quebec will be able to draw from this fund the money required to meet the educational, material and economic needs of the province of Quebec.

Mr. Speaker, the province of Quebec, perhaps more than all the others, needs funds to stimulate its economy, for it is now in a rather unfavourable economic situation, especially considering the fact that somehow Quebec seems to have the unemployment monopoly.

Mr. Speaker, I wonder if it might not be important for the Minister of National Health and Welfare (Miss LaMarsh) and the committee to which the bill will be sent to study certain details of this very important measure. There is some fear with regard to this pension plan, and I am of the opinion that it will constitute too heavy a burden for the farmers of Canada, especially those of eastern Canada and the province of Quebec, whose annual income is \$1,200 or less.

Under this bill workers will pay a contribution of 1.8 per cent of their earnings and the employer will pay the same amount. But what happens to the farmer? He will have to pay 3.6 per cent, that is twice as much as the worker; the married farmer will pay 7.2 per cent, while the married worker will pay only 3.6 per cent.

In my opinion, it would only be fair and reasonable for the farmer in this country to be on equal terms with the worker and to pay only 1.8 per cent of his income as his contribution. Moreover, the Canadian people as a whole should absorb the 1.8 per cent contribution that would have to be paid by the farmer.

Mr. Speaker, one must also take into account the fact that, with this pension plan, contributions may increase from year to year. No provision in the act provides that contributions must be static or remain at the