

Canada Pension Plan

resolution through tonight, and therefore get the bill, see it, know its details, and all of us in the house and the country would be that much better off.

The hon. member for Perth also said, between five minutes to five and five o'clock, that he regretted not being able at that moment to comment on the white paper which had just been tabled. He said he would have to study it during the supper hour. I wonder, Mr. Chairman, what he did during the supper hour, because he certainly did not come back tonight and discuss the white paper or the Canada pension plan. He changed his tune completely and decided to make the same kind of partisan speech that we have heard before on this issue; he gave us no constructive criticism of the plan itself.

Mr. Horner (Acadia): What are you doing now?

Mr. Knowles: I submit that this is not good enough, coming from a former minister of national health and welfare, coming from one who is supposed to know something about this matter, from one who should be able to give us the benefit of his views about the subject that is actually before us, namely the Canada pension plan. I hope that as this debate proceeds, at this stage today, on second reading of the bill or in the special committee to which the bill will be referred, we will get down to the bill itself, to its details, and will give to it the benefit of the consideration we are supposed to give to it.

Now, Mr. Chairman, I want to say a few things about the Canada pension plan on the basis of the information we have been given. It will not come as a surprise if I divide what I want to say under two main headings. On the one hand I want to indicate the things about the plan that we think are good; then I want to indicate the things about the plan that we feel should be improved.

First of all, the aim of the Canada pension plan, despite the fact that the dollars it proposes as rates of pension in the next ten years or so are not really very magnanimous, are not really sufficient for the dignified living in old age that is referred to, is to provide pensions, not just on the basis of subsistence but on the basis of the idea that people on retirement should be able to live in accordance with the standard of living that has been achieved by that time. In the white paper that was tabled by the minister this afternoon there are a couple of sentences along this line that I think are worth underlining. On page 7 of the mimeographed copy of this white paper I find these words. Referring to the plan, it says:

—it will provide a basic measure of "real security, because people will be assured of pensions

[Mr. Knowles.]

that are related to general earnings levels at the time they retire, not to money incomes which have become out of date.

That, I suggest, is extremely important. For far too long pensions have been thought of as a subsistence amount, or as somehow related to what people were earning in their working years or back when they first started to work. But pensions, if they are to be worth while, must be related to the earnings levels at the time people retire. I would go further and say that even after people retire, as the earnings levels of the general community increase, so should pensions increase. But at any rate, the aim of the Canada pension plan is to put pensions on that basis. As a matter of fact, Mr. Chairman, over on the next page of the mimeographed copy of the white paper the same thought appears again when it is said:

—people...can be assured of pensions which will still provide a secure retirement in line with economic conditions at the time.

That, Mr. Chairman, is what must become our aim in the old age security field—not just a fixed sum of dollars that bears some relation to what was earned in the past, but a pension related to earnings at the time of retirement; a pension related to the economic conditions during the years in which people are retired. Because this Canada pension plan aims at that, because in principle its purpose is to provide pensions looking toward adequacy, looking toward people in retirement being able to enjoy the standard of living that is possible when they are retired, for these reasons the plan is good and deserves the support of all of us.

A slight improvement has been made in the version of the plan we have now, compared with the plan of last July, in that greater emphasis is placed upon possible retirement at age 65. I want to make it clear that the plan has not gone all the way, has not gone as far as we think it should go. We think the plan should make age 65 the normal retirement age and then if there is a desire to increase the rate of benefits for those who retire at a later age, let that be the exception. As I say, we think 65 should be the normal retirement age and that pension benefits should be geared to that age. However, I will give the minister and the government credit for having shifted the emphasis slightly. Last July it was a plan for retirement at age 70. This time it is still a plan for retirement at age 70 but there are increased inducements to people to retire at 65. In so far as the government has gone in pursuit of this goal, the plan is good.

May I emphasize again our acceptance, our welcome, of the fact that the Canada