

Canada Pension Plan and Federal Court Act

and heavier one, seen within the parameters of pension as well as employment. I am sure that the Minister has already thought about it. Presentations have been made to him about the merits of retiring at the age of 60. However, I do reject, as firmly and calmly as I can, the notion that retirement at age 60 should be coupled with a reduction in pension. The level should remain the same. It should be open to those who want to take advantage of it. The numbers will not be that great, since increasingly people find it desirable to maintain a productive life over the years, in fact well beyond what we have come to expect in the past. However, there are certain occupations and certain individual situations in which this option is a desirable one.

● (1230)

Since democracy is a way of offering options and diversities, I submit that this is one way of doing it, but doing it without penalizing the recipients of the Canada Pension Plan by one cent. If the losses over 10 years, let us say between the ages of 60 and 70, are multiplied, then it would be a substantial sum, assuming that a person's life-span terminates at the age of 70. That is not the route to go.

I am sure that the Minister, who has a sense of fairness, will understand this message which really comes from the street level. People stop us on the street and say: "We have heard about this measure, the Bill that is going through, but to me personally it is not the type of measure I can accept. If I choose to retire at age 60 I do not want to be penalized by 30 per cent, or even by one cent for that matter".

Perhaps I have belaboured the issue at too great a length, but I had to convey the sentiments together with the logic of this criticism. I am grateful for the fact that the Minister has patiently listened. I look forward to the next Bill he might introduce, possibly some time next year, which will include some of the measures that are missing from the present one. I am sure that he, along with all Hon. Members, want to see these measures incorporated in a new Bill, since we believe that the Canada Pension Plan is an ongoing process. It cannot level off or become stagnant. It is an important instrument for social progress and economic stability. As I mentioned previously, it is an important instrument which has to be looked upon within the broader scope of our employment policies.

● (1240)

[Translation]

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I welcome this opportunity to speak at the third reading stage of a very important Bill. It does not happen very often that we can amend a Bill here in the House of Commons, and that is the case with the Bill before the House today which is an Act to amend the Canada Pension Plan and the Federal Court Act.

Mr. Speaker, some parts of this Bill contain very positive changes with respect to disability benefits, division of earnings in case of divorce and survivors' pensions.

On the other hand, there are other amendments the Government would have us believe will be of tremendous benefit to Canadians . . . First of all, I think we should look at the Bill itself, whose purpose is to increase the premiums paid by all Canadian employees and employers into our pension plans.

This premium increase, Mr. Speaker, will increase the revenues of the CPP Fund and, through loans, those of the provinces, including Ontario, and even Quebec, because although Quebec has its own pension plan, it also borrows from the Canada Pension Plan.

But, Mr. Speaker, the most important point to keep in mind is that not only will working men and women have less income to meet their needs because they will have to pay higher retirement plan premiums but in return they will not draw increased benefits once they have retired. They advocate an increase, but if ever those people become disabled or something else happens . . . Mr. Speaker, the Government claims it is seeking to establish less stringent pension standards and has drawn inspiration from the Quebec provincial plan.

Mr. Speaker, I want to give figures and illustrate the consequences which ordinary Canadians will face if they decide or are forced to retire at age 60 under the Quebec Pension Plan. Quite simply, a resident of Ontario, Alberta, New Brunswick or Saskatchewan will be in the same predicament as someone living in Quebec.

Right now the maximum Quebec Pension Plan benefit paid to a person aged 65 is \$486.11. Should somebody in Quebec opt for retirement at age 60 he or she gets \$340.28 in QPP benefits, which amounts to a penalty of \$145.83 a month, or an annual loss of \$1,749.96.

In my opinion, Mr. Speaker, it is too much to expect a person to contribute more with a view to retiring early at age 60 and at the same time penalize the same person to the tune of \$1,749.96 a year.

Mr. Speaker, Quebec welfare benefits amount to \$456 a month, yet Quebec Pension Plan benefits are only \$340.28—way below the poverty level, in fact below the misery level.

We know that quite a number of people between the ages of 60 and 65 live under the poverty level, yet the Bill under consideration will only push even more people under the poverty level, as if we wanted to make sure that there will always be poor people becoming even poorer.

The alternative is a joke. Some people may decide to retire only when they get to be 70—they know the penalty for retiring before 65 is 6 per cent a year, whereas the incentive to continue working until 70 is an annual bonus of 6 per cent—so they are told: If you retire at 70 and wait until then to draw your Quebec Pension Plan benefits—and now the Canada Pension Plan benefits—you will be entitled to 130 per cent.