

*Canada Pension Plan*

**The Acting Speaker (Mr. Batten):** Order. The time allotted to the hon. gentleman has expired.

**Mr. Jean-Pierre Côté (Longueuil):** The hon. member who has just resumed his seat mentioned several times in the course of his speech that there were a lot of interjections but I think, in all fairness, it should be pointed out that the interventions did not come from this side of the house.

[*Translation*]

Mr. Speaker, since the house did pass a resolution to appoint a joint committee of the Senate and the House of Commons to consider Bill No. C-136, an act to establish a comprehensive program of old age pensions and supplementary benefits in Canada payable to and in respect of contributors, I think it would be pointless to discuss the bill in detail at this stage. I will therefore confine myself to the general principle.

Mr. Speaker, though it is rather difficult now to foresee the repercussions or the impact the operation of the Canadian or Quebec pension plans will have on the Canadian economy, I shall, during the few minutes at my disposal, try to list the advantages which it seems to have in the eyes of this private member, who would by no means pose as an expert.

The economic principle involved with respect to this pension plan is to divert capital that would be used mostly for consumer goods to investments or compulsory savings. Of course, the contributions paid by employees and employers to be entitled to the pension plan benefits would represent huge amounts that will be withdrawn from circulation, therefore, from direct consumption, and which will pile up in a fund.

It may be said that consumption means immediate satisfaction of certain needs, that is, a short term satisfaction: the amounts of money owned or earned are immediately put into circulation, giving the owner an immediate satisfaction.

Therefore, the portion of those revenues which will be transferred to this pension plan and this investment fund will, in the long run, satisfy the persons concerned. In other words, the percentage of the amount which will secure a revenue to the contributor at the age of 65 or 70, will be put back into circulation only when the individual shall attain pensionable age. The other portion of the paid amount will be affected to a capital fund which will increase from year to year.

Naturally, the benefits which the Canadian people may draw individually from this pension plan justify the sacrifices and inconveniences which may be caused over a period of 20 or 30 years when consumption will be affected by the transfer of funds for investment purposes.

The other portion of the revenue which will be used to accumulate funds for the provinces, will be put back into circulation, but to the general advantage of the Canadian people. Consequently, that will benefit each and every Canadian.

A new country like Canada must force itself to save in that way and everyone must do it willingly to ensure his own or his country's economic future.

It is said, with good reason, that the amounts that will accumulate in that pension fund will exceed \$10 billion during the next ten years. Do Canadians realize the repercussions that the investment of such a huge amount of money can have on the Canadian economy? Of course, if the provinces use it for capital investments only, such as roads, schools, public utilities, it is obvious that it will not bring many changes in our struggle for our economic independence, except to prevent borrowing on foreign markets. As far as Quebec is concerned, in particular, that fund will exert an influence on the economic future of the province and the situation of the Quebec people with regard to foreign capital which swamps that province. It is sufficient to think of the General Finance Company and the forthcoming implementation of the steel complex to realize for what purpose the province will use these funds.

Didn't Premier Jean Lesage say:

We have undertaken to free ourselves economically; this cannot be achieved if the people of Quebec have nothing to say about the way their savings are to be invested?

The French Canadians of the province of Quebec realize how important it is to use such permissible means as this one to take over control of their economy. It is probably an advantage for them to be grouped in one area for, if they really want to, they can succeed. This goal will be achieved as soon as they understand that it can be done, not by putting the blame on others, or isolating themselves from the rest of the world or by making speeches on the constitution, but rather by working, studying, saving and facing up to their responsibilities. This is how the Americans became rich, became masters of their economy.