

*Canada Pension Plan*

tected for himself and his family to a degree that will be among the best in the world. The benefits of our economic good fortune in this land are going to be made available, as they should be, for the social security of all Canadians.

In order to assess the importance and the value of the present resolution I would like first to draw an analogy between action for age and action for youth. Last year parliament passed legislation to pay youth allowances between the ages of 16 and 18. The government's purpose in that legislation was to modernize one of the major features of our social legislation. When family allowances were instituted by a Liberal government 20 years ago, 16 was the normal school leaving age. But the number staying at school has since been increasing. With advancing technology it has become more and more important to society that most should stay at school, and so it became increasingly desirable to extend the allowance system to the 16 to 18 age group. Accordingly this major social advance was given high priority in the government's program.

In a similar way, when the government of Mr. St. Laurent started the universal old age security pension, it was sensible to make it available from the age at which virtually everyone is retired, that is, from age 70. But it is an increasing trend that people retire in Canada before they are 70; more and more, indeed, have no choice but to do so, and about one in five Canadians between 65 and 70 have been able to put aside so little for their mature years that they qualify for old age assistance.

Technological advance and rising living standards must be expected to make compulsory retirement at 65 more and more usual. This is far from an unmixed blessing to a young country like Canada. I know that, for instance, the Leader of the Opposition has some strong feelings about compulsory retirement; and indeed all of us, especially as we get older, may view it with certain concern.

The advance of medical science means that more and more people are capable of constructive activity for many years after they are 65 years of age. Indeed, in many cases there is a psychological need. A number of the members of this committee have encountered men, particularly, who have for years looked forward to their own retirement, especially when they face compulsory retirement. But some of them have found when they reached the age of that compulsory

retirement that they had nothing to do and felt useless. Many of them then felt that they wanted to go on working, or would prefer to do so rather than retire.

There is no question but that one of the challenges to our society is going to be to see that there are plenty of useful activities to save people from stagnation and boredom in their increasingly long years of retirement. But most of those activities will have to be outside the normal economic structure; they will not be paid jobs. We must accept the fact that economic forces will be predominant in making 65 more and more the usual age of retirement, at any rate from full time paid employment.

To make pensions available from age 65 has been throughout a central feature of this government's proposals. In the case of the new, earnings related pension to be provided by the Canada pension plan, it is an objective that can easily be applied with flexibility to individual circumstances. In this regard members of this committee will recall the discussion we had last evening with the hon. member for Kamloops. Since the pension is related to previous earnings, it is logical and practicable to say that the pension will begin at whatever age, between 65 and 70, earnings stop or at any rate are reduced to a low level.

This concept cannot, however, be applied to old age security. Old age security is a universal benefit. It is available to, for example, a married woman even if she has never in her life held a paid job outside her home. It would therefore be quite inappropriate to subject old age security to the retirement test established under the Canada pension plan. In making old age security available at an earlier age, we must not forget the principle of universality.

In Bill C-136 as it is printed the government proposed one of two possible solutions to this problem. Old age security would be available from age 65, but the monthly pension would vary according to the starting age. At 65 years exactly it would have been \$51 per month. It was believed that a great many women would have taken the pension at 65 or soon after, while probably most men would have taken the old age security benefit at the same time they became qualified for their earnings related pension, that is whenever they retired between 65 and 70.

This system, we believe, would have had considerable merit. It was adaptable to individual circumstances, yet at the same time it was fair to all, in the sense that people