

certain understandings. This is why the original legislation made it quite difficult for changes to be made in the plan. I am not for a moment suggesting that the change contemplated in the bill before us is such a change that the draftsmen had in mind. I raise this point because on the front page of a daily newspaper which I read yesterday was an article suggesting that a serious question existed as to the legality of the bill now before us. The article was supplied by the *Financial Times* news service. Underlying this concern is a certain section of the legislation which was passed in 1964 or 1965—section 115(2) of the Canada Pension Plan Act. This provides:

Where any enactment of the Parliament of Canada passed after the coming into force of this act contains any provision which alters, or the effect of which is to alter, either directly or indirectly, and either immediately or in the future, the general level of benefits provided by this act or the rates of contributions provided for by this act, it shall be deemed to be a term of such enactment, whether or not it is expressly stated therein, that such provision shall come into force only on a day to be fixed by proclamation of the governor in council, which day shall not in any case be earlier than the first day of the third year following the year in which any notice of intention to introduce a measure containing a provision to such effect was laid before parliament.

So the argument is that any change in the original act could not be effective for two years and a day from the date it was introduced in parliament. However, it is a well-established principle that parliament can pass any law it chooses, no matter what an earlier parliament may have said or done. The government must be free to respond to changing situations. After all, the original legislation was passed seven or eight years ago, and at this point I feel there is an urgent need to respond to price increases caused by inflation.

The other subsection of section 115 of the original act requires that two-thirds of the population of the included provinces should consent. This provision has been met or it will shortly be met, as is clear from the communiqué which was issued at the conclusion of the conference of welfare ministers held in October of this year. It is clear from this communiqué, dated October 11, that all the provinces have expressed agreement with this change we are asked to make. Had it been otherwise, I might have agreed there was some question about the legality of the amendment which is presently before us.

Moreover, Mr. Speaker, I feel sure the hon. member for Winnipeg North Centre, with his knowledge of the rules, would have raised this matter on a point of order if there were any grounds for his doing so. I do not claim to be an expert on the construction or interpretation of statutes; however, I do know that in trying to interpret them to find the real meaning of the legislation we must look at the intent of the legislation.

● (1620)

We might ask why the section requiring, in effect, two years, notice of any substantial change in the plan was placed in the original act. I think it was put there to prevent any government from recommending hasty or ill-considered changes. Perhaps on the eve of an election some future government might have attempted to increase benefits without making provision for a corresponding increase in contributions, or something of that kind. However, it is clear to me that the intent of the initial legisla-

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tion was not that a change such as we are proposing in Bill C-224 would be prohibited.

Clause 8 of the bill now before the House provides as follows:

Subsection 115(2) of the Canada Pension Plan does not apply in respect of the amendments to that act contained in this act.

In other words, in passing this bill we are saying that subsection 115(2) of the original act does not apply. Hon. members will note there is no provision in the bill that subsection (4) of section 115 does not apply; that is, the provision requiring the agreement of all the provinces.

I feel the minister is to be congratulated for bringing forward this bill and for his success in obtaining the agreement of the provinces. The similarity between the proposals contained in the working paper on social security in regard to the Canada Pension Plan published in April of this year and the communiqué to which I made reference earlier is very striking indeed, and I think is a tribute to the tact, diplomacy and indeed perhaps the persuasiveness of the minister in his dealings with the provinces.

One of the main objectives has been to bring the Canada Pension Plan and the Quebec Pension Plan into parallelism with each other in regard to contributions, particularly in regard to the income on which contributions are based; the two figures had diverged somewhat. In obtaining agreement on this matter I believe the minister did a real service so far as mobility of the work force and portability of pensions are concerned, as well as for national unity itself.

I feel sure there is no legal objection to the passing of this legislation and I urge its speedy passage through the House. I should like to make one other point before sitting down. It, too, arises from the communiqué issued by the welfare ministers. Part of the communiqué reads as follows:

It was also agreed where the Canada Pension Plan operates that, effective in 1974, retirement pensions will become payable at age 65 to any person who has ceased to contribute to the plan, regardless of his or her earnings. Thus the earnings test which has been applied to people between 65 and 69 will be eliminated. The government of Quebec has already liberalized the earnings test under the Quebec Pension Plan.

The minister indicated that he has further amendments in mind. I urge him to include an amendment to incorporate the agreement that I have just read. However, I believe the minister has indicated that further amendments should have a little more time so they are fully discussed both by the public and by this House, and that he is introducing only those that are contained in Bill C-224. Since they are to be effective at the beginning of 1974, they are therefore urgent.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I do not think the changes proposed in Bill C-224 are going to cause or have caused any violent arguments on the part of anybody in this chamber. When we are dealing with such a sensitive question as pensions, a subject we are all sensitive to both politically and personally, perhaps we do not always scrutinize or discuss all of the issues. In addition to that, in this particular case we are faced with the fact that the consent of the provinces to these changes has been secured, since this is a measure requiring the consent