

have been the one to do that. This just shows that there are categories of citizens in Canada who are sorely in need; yet no matter which way they turn, the doors are closed. The authorities should see to it that such situations do not materialize in this country, a country which we consider to be so affluent.

Secondly, Mr. Speaker, I would favour the complete elimination of the earnings test for pensioners aged 65 and over. As it stands now, individuals between the ages of 65 and 69 cannot earn extra income over \$960 a year. Consideration should be given to raising the total permissible earnings. I realize we want to make sure that a person is retired before he starts to receive the Canada Pension, but at the same time we should be aware that many of our older people are having a difficult time. If they do try to supplement their income through part-time work bringing in over \$960 a year, we should not penalize them by taking away part of their contributory pension.

I am not going to read all the letters that I have before me; I will make reference to only one or two. I have a letter from a man who was superannuated and found he had to go out and supplement his income. Now he finds that if he continues to work he will lose some of the benefits available under the Canada Pension Plan. He believes that people in that position should receive some relief and the ceiling should be raised possibly to \$2,000.

I have another letter from a gentleman aged 68 years who is retired and receives a small amount under the Canada Pension Plan. Because of physical needs he had to secure a part-time job. Now he finds that if he continues with his job he will lose part of the little pension he currently receives. I could mention other instances of people in the same position. These individuals should not be penalized because they go out and make a little extra money in order to meet unforeseen expenses caused by illness and other circumstances over which they have no control.

● (2040)

Thirdly, I would like to see the government lower the age of retirement for guaranteed income supplement, old age security and Canada Pension Plan purposes to age 60 beginning with an immediate reduction to age 64 and a yearly reduction thereafter. I have made this point before, as have other members of this party, and I feel action should be taken immediately in this connection. My position then, is that the retirement age should be progressively lowered to age 60.

If there must be an earnings test for those aged 60 to 65 for Canada Pension Plan purposes, consideration should be given to raising the amount of permissible earnings to in excess of \$960 per year as it is today.

I understand from the communiqué which was issued by the conference of ministers of health and welfare on October 11, 1973, that a degree of accord has been reached on this point. The communiqué reads in part 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.

Canada Pension Plan (No. 2)

I would urge the government to bring forth legislation to that effect quickly so that parliament can act on it in time for it to take effect in the new year. The bill before us is basically a good one, but it is long overdue especially as it relates to the cost of living index.

I do not know whether the government will be prepared to receive amendments to the bill at the committee stage. Although I was not in the House at the time, I understand there was some argument about whether this would be permissible because of its effect on the financial prerogative of the Crown. Nevertheless, I think some amendments should be introduced.

We find ourselves in a very difficult position in view of the minister's statement that these measures have been approved by the provinces. We agree that there must be consultation with the provinces, but it seems strange that when a measure is brought before us we are almost rubber-stamping something that has been agreed upon and approved by other levels of government in consultation with the federal government. I think there is room for amendment on that score.

It seems to me, however, since the Canada Pension Plan is financed, not by public funds but by employee-employer contributions, that this bill should be amendable at the committee stage and some thought should be given to raising the maximum pensionable earnings and/or the inclusion of other items which I and colleagues of mine have mentioned today. I realize it is important to pass this bill quickly, that any amendments would require the consent of the provinces, and that conceivably could delay implementation of the bill. However, from the reports that we have heard and read, and the report that emanated from the conference, it would not appear there would be much difficulty in obtaining agreement on some of the items to which reference has been made.

In conclusion, I would strongly urge the government, whether by amendment to this bill or by new, immediate legislation, to act upon the suggestions it has heard from this party and thereby make the Canada Pension Plan more effective and responsive to the needs of the Canadian people.

[Translation]

Mr. Fernand-E. Leblanc (Laurier): Mr. Speaker, it gives me pleasure to participate in the debate on second reading of Bill C-224, another one of the important measures introduced by the Liberal party to control the sometimes nefarious effects of inflation especially if one considers those people who are least able to defend themselves, namely the pensioners in this country.

Before getting to the thick of the matter, I think it would be in order to speak about the speech made by the hon. member for Simcoe North (Mr. Rynard) this afternoon. He stated, like several members had done before him, that the Liberal party was responsible for inflation and that it is more serious in Canada than in other countries. I was just reading tonight in *La Presse* an article under the heading: World inflation persists when consumers rule. I quote:

The rapid inflation witnessed in North America is a worldwide and contagious disease which comes from an imbalance between demand and production capacity.