

**Mr. Penner:** I hear a few guffaws from the other side of the House. I can only say that there are a great many Canadians who would be frightened of the day, if those members opposite are ever given the opportunity to sit on social legislation programs, when they would be taking no further action.

**Mr. Crouse:** So you admit the day will come.

**Mr. Penner:** Bill C-224 represents another step along the way in the federal government's comprehensive overhaul of Canada's social security system. More particularly, all hon. members will applaud the good effects of these changes as they apply to the benefits paid to widows and to those who are disabled. These are especially worthy of applause by all hon. members, as are the other aspects we are considering.

**Some hon. Members:** Hear, hear!

**Mr. Penner:** Certainly I must commend the government for the open approach it has taken in the preparation of this very important legislation. The bill now before us is the result of very active consultations with the provinces, with labour, with business organizations, as well as with members of the Canada Pension Plan advisory committee. It truly represents a Liberal approach to law-making and helps to explain why our party more than any other political party, in the drafting of social legislation that helps to upgrade and improve the quality of life of our citizens, has the confidence and support of the Canadian people.

In his working paper on social security in Canada, the Minister of National Health and Welfare (Mr. Lalonde) has endeavoured to take into account the whole sweep of social security policy in this country and to develop a more comprehensive, logical and imaginative approach. This working paper is the federal government's contribution toward a joint federal-provincial review of Canada's total social security system. The aim of the exercise is to find new, workable and constitutional arrangements in order to achieve the kind of integrated social security system that will best serve the needs of the Canadian people. The document to which I refer is more than just another study; it is a working paper which establishes some immediate priorities, such as the increase in the family allowances from what was close to \$8 to \$20 per child per month, and changes to the Canada Pension Plan.

With regard to pensions, the Government of Canada and the provinces have agreed that pensions paid under both the Canada and the Quebec Pension Plans should be fully escalated in response to increases in the cost of living. They have also agreed that the levels of earnings upon which benefits and contributions are based should be raised.

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The new strategies which are outlined in the working paper on social security seek a nationwide consensus. They are not being unilaterally imposed by the federal government. It is the aim of our government to ensure national minimum standards while allowing for provincial flexibility in setting priorities. It is not the intention of this government to suggest "cut and dried" or "take it or

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leave it" proposals. Legislative steps and administrative arrangements must be satisfactory to the provincial governments as well as to the federal government.

Co-operation with the provinces is vital and necessary, greater flexibility and more innovation are needed and consultation and negotiation are expected; but none of these ought in any way to diminish the role which the Parliament of Canada must continue to play in further development and improvement of our income security system. We in this House have a responsibility to combat poverty by way of a fair distribution of income disparity across the country.

The Minister of National Health and Welfare (Mr. Lalonde) has given this country outstanding leadership in proposing and bringing forth legislation to change, in necessary ways, our social security system. The launching of such a social security review, however, is in no way an indication that our present system is fundamentally unsound or in need of total transformation. Such is simply not the case. The truth is that Canada's social security system is one of the most advanced in the western world, and this is thanks to the continuing efforts of a succession of Liberal governments in Canada.

Our system of social security today provides a very solid foundation upon which to build, in the context of today's needs. Such is the case with the Canada Pension Plan, an excellent plan now being amended or adjusted to make it an even better plan, more suitable to present circumstances and conditions.

I noted with satisfaction, as did the hon. member for Hillsborough and the hon. member for Winnipeg North Centre, that the minister will shortly be proposing other changes to the Canada Pension Plan, including further boosts in earnings ceilings for pension calculations until these ceilings reach the average earnings of industrial workers in Canada.

I am also delighted with the minister's assurance that the earnings test, which now applies to persons receiving Canada pensions on retirement between ages 65 and 69, will be eliminated. I hope, as well, that the minister will give most serious consideration to provision for the participation of housewives in the Canada and the Quebec Pension Plans. It is true, of course, that these plans at the present time do not entirely ignore housewives since they provide for a pension for a widow of a contributor, but further steps are required. I draw the attention of the House to the report of the Royal Commission on the Status of Women in Canada which in one of its recommendations states the following:

The housewife who remains at home is just as much a producer of goods and services as the paid worker, and in our view she should also have the opportunity to provide for a more financially secure future. Canada has given some of its workers an opportunity to do this through the Canada and Quebec Pension Plans. To neglect to do the same for some three and one-half million other workers in the home is to ignore the essential nature of their work.

I personally favour an approach which would permit a housewife to build up a pension by means of the contributions she herself makes. If anyone doubts that the housewife is an earner, I suggest that he or she stay home for a few days and try to carry out the chores with which she has to cope.