

*Canada Pension Plan*

The exchequer is required to pay pensions if certain conditions are met. This money is not put into some special bank account, it is put into the consolidated revenue fund; but the credit is there and the payments are made.

I am wondering whether the situation is not similar with respect to government annuities. The difference there is that people are not required to make contributions, but as far as the accounting is concerned it is the same. People make contributions which are credited to the government annuities account, but they go into the consolidated revenue fund. When payments are made they are made out of the consolidated revenue fund and are charged against the government annuities account. I would suspect that there are a dozen different situations like that, and I wonder whether in this legislation we are not just conforming to the general practice.

**Mr. Chatterton:** Mr. Chairman, I am not going to pursue this point much longer, but I should like to reply to some of the comments made by the minister. Coming back to the question of when the time arrives when you have exhausted the fund, and you then have to increase the contribution rate in order to pay out the cheques, in order to increase that contribution rate you have to go to the provinces of Canada and get the consent of two thirds of the provinces representing two thirds of the people of Canada. The minister said it is inconceivable that this would happen, because in the first place a province would be cutting off the cheques for the people in its own province. I know one premier in Canada today who will convince the people of his province—

**Mr. Walker:** He will not be there then.

**Mr. Chatterton:** I know, but a similar premier might be there several years from now, and he might tell his province that it is the government of Canada which is holding the cheques because the government of Canada will not improve the plan in the way he wants it to be improved. In such a situation he would hold a terrific club over your heads, and I think the government should play safe. Likely the present government will not be in power then—this is probably its last chance—but there is a danger there to the government which is in power at that time. I know the provinces asked for the two thirds, and there is reason for that; but I am sure the provinces would not object to the further safeguard that this two thirds

[Mr. Knowles.]

would not apply except in a case where you are running out of money.

**The Chairman:** Shall the clause carry?

**Some hon. Members:** Carried.

Clause agreed to.

**The Chairman:** Shall I rise, report progress and request leave to sit again later this day or at the next sitting of the house, as the case may be?

**Some hon. Members:** Agreed.

Progress reported.

**Hon. Judy V. LaMarsh (Minister of National Health and Welfare)** moved that the house go into committee to consider the following resolution:

That Bill C-136, now before the house, be amended to authorize, in the place of the age adjusted pension now provided for by part IV of the said bill, that a pension under the Old Age Security Act in the full amount of the pension available to those who have attained 70 years of age be paid commencing 1 January 1966 to those who have attained 69 years of age, commencing 1 January 1967 to those who have attained 68 years of age, commencing 1 January 1968 to those who have attained 67 years of age, commencing 1 January 1969, to those who have attained 66 years of age, and commencing 1 January 1970 to those who have attained 65 years of age.

Motion agreed to and the house went into committee, Mr. Lamoureux in the chair.

**Miss LaMarsh:** Mr. Chairman, while the house has for some days been spending its time in detailed study of the provisions of the Canada pension plan proper, it has now reached the point of debating the amending resolution before proceeding on to that part of the bill which comprises amendments to the Old Age Security Act, which is part IV. I do not want to take up the limited time available to this committee, but I should like to speak briefly on the resolution which is now before us.

For the people of Canada the measure proposed in this resolution is in itself among the most important that parliament has had to deal with for many years. It is all the more important, of course, because it forms part of the Canada pension plan bill.

In this bill we in all corners of the house have been working together to establish a comprehensive plan of social insurance. It is a modern plan embodying the best features of social legislation of many countries. In conjunction with the improvement in old age security proposed in this legislation, the Canada pension plan will mean that the working Canadian will have his income pro-