

The hon. member has identified the Canada Pension Plan disability provisions as being in need of improvement. His criticism, however, is not with the level of benefit or the definition of disability—the two areas most commonly looked at with regard to CPP disability benefits.

Instead, he is asking the government to modify the eligibility criteria that require a disabled CPP contributor to meet minimum contributory requirements. Even though this change may seem of minor significance at first glance, there is no doubt that it could improve the financial situation of at least some disabled persons.

Since the introduction of the CPP in 1966, the minimum contributory requirements have come in for criticism and proposals have been made for change. Indeed, changes have been made. Perhaps I could just take a few minutes to review the changes which were made to the CPP in 1986, as they affect disabled contributors.

As of January 1, 1987, the flat-rate benefit portion of the disability pension was increased by approximately \$150 per month. The earnings-related portion of the CPP disability pension remained at 75 per cent of the disabled contributor's imputed retirement pension. This, together with the higher flat-rate benefit, increased the maximum disability payment from \$415 to \$565 per month at 1986 rates.

It should be noted that today, in 1991, the maximum disability benefit is almost \$745 per month, including the flat-rate portion of \$290. At the same time, directly related to the proposed change before us today, we have the 1986 amendment to relax the contributory requirement rules.

Workers who become disabled now qualify for benefits if they have contributed to the Plan during two of the three years preceding their disablement. This affords early protection in case of disability for young people and for those persons, particularly women, who are re-entering the labour market.

The existing requirement of contributions in five of the last ten years was retained since it provides continued protection against disability for several years after an individual has ceased contributing to the Plan.

Moreover, this period of continued protection against the loss of earnings due to disability was further pro-

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longed by the extension of the retroactive period. As of January 1, 1987, disability may be determined to have arisen up to 15 months prior to the month of application for benefits. I think it is useful to note that many Canadians now benefit from the CPP disability provisions.

In 1991, approximately 215,000 disabled contributors and 73,000 children of disabled contributors are receiving CPP benefits. They receive total monthly benefit payments of about \$160 million. While there is no question that this does not meet the total income needs of the disabled and their children, I think we can all agree that it is a significant contribution, particularly in these difficult economic times.

As for meeting the income needs of the disabled, it must be recognized that the CPP is a social insurance program for Canadian workers. It is related to earnings and like all earnings-related disability plans, a minimum qualifying period has been a requirement since the inception of the Plan in 1966. A look back at the discussions surrounding the development of the CPP makes it clear that no other benefit posed as many problems or raised as many questions as did the disability provisions. The federal and provincial governments wanted fairly rigorous benefit eligibility rules until some experience had been gained under the new plan. Experience has shown that the original requirements needed to be eased and as we have just seen, this has been done. While the Canada Pension Plan is not intended to provide all the income a disabled contributor may need, there are certainly ways to improve the protection the CPP offers.

I am sure that hon. members will agree with me that Bill C-39, which we debated just last week and agreed to, is ample evidence that the CPP is a dynamic program. The changes which are about to be implemented as a result of this recent amendment to the Plan will ensure the long-term financial stability of the CPP and provide an additional \$35 a month to the children of disabled and deceased contributors.

A number of other minor amendments will also be made. While some simply clarify the legislation and simplify its application, others will allow benefits to be paid where eligibility does not currently exist.