

Canada Pension Plan

taxes, instead of giving impetus to the Canadian economy with new credits—not credits bearing interest and forcing us to pay twice the amount in 20 years—why is the government not making use of the Bank of Canada, which is a Canadian institution, which belongs to the Canadian people, which has the authority to create the necessary credits in order to distribute, not a pension at the age of 65, but a dividend from birth to death? The government and parliament would then respect all the human beings which constitute our Canadian nation.

We, in this corner of the house, have had enough of these starvation bills in the midst of plenty. This is not a bill increasing the old age pension by \$10. This is a bill providing for a pension at 65 years of age which it will be compulsory for workers, farmers and everyone to pay for 30, 40 or 55 years of their life, in a rich country like ours.

Did we not hear the Minister of Finance (Mr. Gordon) say, recently, that the Bank of Canada was authorized to grant loans to England to reinforce her financial position or to give some kind of guarantee to the pound sterling? The Bank of Canada must create funds for that, and it would not have the right to create funds to give to the Canadian people an adequate pension system and free dividends? Let the minister give us an answer on that.

Once again we may be called utopians, people chasing after the moon, but the two old political parties in Canada have been on the moon for a long time and are no longer able to produce results for the Canadian people. We hear promise after promise, but when the time comes to take some action we are presented with concrete results of \$51 a month.

I wonder whether the Minister of National Health and Welfare could live on \$51 a month at the age of 65? And what are they going to do with those aged between 45 and 65 and who do not have any job?

Those are the considerations I wanted to bring forward respecting Bill No. C-136 which, I know, will not interfere with the pension plan to be introduced in the province of Quebec.

If I take part in the debate on this bill, it is because I am not entitled to speak in the Quebec legislature, and I want them also to know what we think, we of the Ralliement Cr ditiste, about those programs of poverty amidst plenty. What we want for our Canadians is that production should be used for the Canadian people, that the financial system should no longer be the master, but

rather that Canadians should be the masters of their own destinies from an economic, political and social standpoint.

[Text]

Mr. Lawrence T. Pennell (Parliamentary Secretary to Minister of Finance): It is not my purpose to intervene in order to debate the merits of the legislation now before the house. That aspect has been extensively dealt with in the course of many able contributions from both sides of the house including, if I may say so, the admirable address of the Minister of National Health and Welfare (Miss LaMarsh). I rise for the purpose of giving such assistance as I can by explaining some of the technical matters which may arise in relation to the integration of other plans, in particular the Public Service Superannuation Act, with the Canada pension plan.

It goes without saying that all persons covered by pension plans, either private or those for which the government is responsible, have a special interest in the development of the legislation now before us. The proposals contained in Bill C-136 leave untouched the question whether private plans will be adjusted so as to integrate or co-ordinate with the Canada pension plan.

Those responsible for each of the private plans are left free to decide according to their particular needs whether and in what way modification should be made in their plans. This bill does not affect the control of private plans in this respect, and indeed it is open to question whether parliament has constitutional authority to regulate private plans in this way.

There are two basic situations that most readily come to mind in any discussion regarding the integration or co-ordination of private plans. In cases where the rates of contribution are already relatively high it may be felt that the over-all rates of employer-employee contributions should not be increased and that benefits under private plans should be adjusted accordingly, but not in such a way that the combination of the two plans would lead to an over-all reduction in benefits. I understand it may be possible in some circumstances that integration could lead to a modest increase in the total benefit without an increase in the total contributions. In other circumstances it may be felt not unreasonable to completely superimpose the Canada pension plan on the existing private plan.