

*Canada Pension Plan (No. 2)*

I would like to join other members in congratulating the minister for adopting in this bill one more of the many constructive proposals made by the party to which I belong.

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

**Mr. Patterson:** We have been pushing for this action for some time and again, as in other instances, the government has seen the light. Because of this, we commend them. It is interesting to note in this respect that in the document "Review of issues in amending the Canada Pension Plan" a number of tables are used to illustrate various aspects of the plan. These tables were taken from the Canada Pension Plan actuarial report published in Ottawa on December 31, 1969, and are based on what appears to be, in retrospect at least, a rather ludicrous assumption about the rate of inflation in this country.

We can hardly blame the authors of the "Review of issues amending the Canada Pension Plan." They were probably using the only figures available to them at that time. However, I do feel that the government department which prepared this report was somewhat misinformed, or at least ill-prepared in basing its statistics on what is termed moderate inflation of 3.4 per cent a year. If this matter were not so serious, I am sure it would cause some mirth in the House. Not many Canadians can remember when inflation in this country was only 3.4 per cent. In 1968 it averaged 4.8 per cent, in February, 1971, it was 8.1 per cent, and over the last year I believe the rate has been in the vicinity of 8.7 per cent, with the very important categories of food and shelter at a much higher rate than that. So it can hardly be classed as moderate inflation. Now, at least, under the provisions of Bill C-224 Canadians will not be victimized by runaway inflation in respect of their Canada Pension Plan benefits, for provision is made to tie the benefits payable under the plan to the cost of living index.

On the subject of the escalation of maximum pensionable earnings from \$5,600 this year to \$6,600 in 1974 and \$7,400 in 1975, I can only say that this is an improvement, although I feel that consideration should be given, when the bill reaches committee stage, to raising the maximum pensionable earnings even more. From the information that is at hand, I do not think the government would have any difficulty in going to the provinces and saying that parliament wants the earnings level set at \$7,800, \$8,000 or some higher figure.

● (2030)

I note that in the statement made by Mr. Rene Brunelle, of the province of Ontario, at the meeting of ministers of social services and rehabilitation held on October 11, 1973, he said, "Ontario would favour that the earnings ceiling be raised to \$9,500 in 1975." I also wonder why the federal government has abandoned its proposal of \$7,800 in 1975. Here I would like to quote from a document entitled "Working paper on social security in Canada," commonly known as the orange paper, distributed under the signature of the Minister of National Health and Welfare (Mr. Lalonde). The following appears at page 21:

For its part, the Government of Canada would favour full escalation of the pension benefits, and the increase of the year's maximum pensionable earnings to \$7,800 by 1975.

[Mr. Patterson.]

tion of the pension benefits, and the increase of the year's maximum pensionable earnings to \$7,800 by 1975.

Perhaps when he speaks again in this debate the minister can tell us what has happened to that proposal. In so far as the bill would restore parallelism between the Canada and the Quebec Pension Plans in the area of contributions, the escalation of current benefits and future retirement pensions, I can state categorically that I agree that this parallelism must exist so that individuals who move from Quebec to other parts of Canada, or vice versa, will not be penalized in relation to their pension plan contributions or benefits. However, there are other matters with respect to the Canada Pension Plan that I feel need examination and change.

I am not one who cares to use the word "discrimination" indiscriminately, for I believe it is largely overused and overworked; but there is one element of the Canada Pension Plan which leaves the government and parliament open to the charge of discrimination. There is a general oversight in the Canada Pension Plan as it relates to housewives. I know that I am not the first member to bring this matter to the attention of the House; others who have preceded me have done so. But I think it is a matter of real concern which should be taken under advisement and dealt with favourably.

It would probably be more correct to say that the Canada Pension Plan does not relate to housewives, and that is why I say it is an oversight. I feel, and I am sure many in my party feel, that the government should devise some mechanism whereby housewives could contribute to the Canada Pension Plan and benefit upon retirement or upon reaching retirement age. Of course, there is some question as to whether a housewife ever retires. In the event of the death of her husband, a housewife could then receive a more adequate income.

I am sure many hon. members, if not all, could relate many instances of this kind that have been brought to their attention. Personally, in my records I have many instances of widows who now find themselves with inadequate income. They are not able to go out to earn supplementary wages and are in serious straits. If they were brought under the provisions of the Canada Pension Plan, this at least would give some assistance to them in their efforts to make ends meet.

I could mention other categories. I do not know if they would fit under the provisions of this measure, but I would like to state that there are many, even in the age bracket below 60, who because of physical disabilities are unable to enter the labour market and cannot make ends meet. Yet they have been completely unable to obtain any form of assistance, either from provincial or federal agencies, and have reached the point of desperation. This is a category that should be given immediate consideration, because while we recognize the importance of providing a better income for those who are receiving at least some income, there are others who find it practically impossible to cope with the increased cost of living and, as I say, some are reaching the point of desperation.

I have just received a communication from a lady for whom I have been making representations for some time. She tells me she has received word that one of her sisters took her own life, and she writes that perhaps she should