

*Canada Pension Plan*

him. That of course is the situation with respect to our present old age security legislation. It often happens when people are overpaid under the old age assistance regulations and when they become eligible for old age security benefits, that the federal government, on advice from the province concerned, has to recover the money. My question has to do with the provision that no time limit is applicable. Does this include the estate of somebody who has died? I know from my own experience that it was the practice to make deductions as rapidly as possible when they were due. At the same time a certain amount of consideration was given to all the circumstances, and upon occasion a very low deduction was made. I am wondering whether the same type of judgment will be used as far as reducing old age pensions or other pension benefits is concerned, or whether they will be reduced immediately. Also, can the estate be touched?

**Miss LaMarsh:** This clause, like similar clauses included in any legislation when federal payments are made, does create a debt. So if the money due is not repaid in a person's lifetime it is recoverable from the estate or else from the death benefit itself. It is not, however, recoverable out of survivors' benefits.

Clause agreed to.

On clause 66—*Commencement of pension.*

**Mr. Knowles:** I wonder whether the government has taken a further look at this clause in the light of the decision to drop the proposal for reducing old age security benefits on an actuarial basis? Perhaps what I said a moment ago about double negatives should prompt me to put that sentence in positive form.

The government had decided that old age pensions will be payable at the full amount at 69, 68, 67, 66 and 65. When this plan was drafted and when it was discussed with us in the joint committee—I have been refreshing my memory by reading the minutes of proceedings and evidence—it was a plan which dovetailed with the actuarially reduced old age security payments. In the meantime the government has announced its decision to pay the full amount. No doubt the government is receiving the same kind of correspondence that many of us are receiving, indicative of the concern felt by people that it will take time to make this progression down to age 65. I wonder whether any consideration has been given to permitting per-

sons at the age of 65 to draw their retirement pensions starting in 1967 rather than having to wait until these later years. Unfortunately we are talking about ages in the sixties and years in the 1960's, and we are moving in opposite directions, so it is easy to become confused.

May I try to make my point again? In view of the concern of many people about this gap between 65 and 70 which some people feel should be met by the immediate lowering of the old age security eligible age—but I am not talking about that at the moment—has the government considered letting people draw the retirement benefit under the Canada pension plan at any time after January, 1967, provided they are 65 years of age or over, rather than having to wait a few years before 65 is the effective age?

I might try again. Has the government considered doing away with the "scaling in" provision—that is what it was called in the committee—in subclause (2) paragraphs (a), (b), (c) and (d) of clause 66?

**Mr. Benson:** This matter was considered after the change announced by the Prime Minister, and it was decided not to adjust this particular clause.

**Mr. Knowles:** Can we be given any reasons for that decision? I recognize fully that this matter was discussed when we were in the joint committee. In fact, the record shows that I asked some of the questions and seemed reasonably satisfied with the answers. But because of the other changes which have taken place I wonder whether some changes should not have been put into effect with respect to this part of the plan as well.

**Mr. Benson:** Actually, this clause as written is part of the build-up of the fund—the whole basis upon which the pension plan forecasts were made. The fact that the age has been reduced to 65 in connection with old age security does not in our view provide a reason in itself for changing this particular clause. This is a different argument than the reduction of the old age security to age 65 on a stepping-down basis. A change in this clause would materially affect the pay-out. The pay-out, if you did away with the phasing, would become much greater, which would affect the whole of the forecast with regard to the Canada pension plan. The old age security payments will not affect the actuarial payments with regard to the Canada pension plan at all, because they are not coming out of these funds but are coming out of old age security funds.