

Pensions

senior citizens, probably the top 10 per cent, who have an adequate, perhaps even more than adequate, income; but in between those two groups there is a third group of about 30 per cent who have just enough that they do not qualify for anything under public plans, and yet not enough to stay very far above the poverty level. So that is the crisis, namely, that for all we have done, for all that the minister and I will boast about—because we have come a long way since the middle 1920s when the first old age pension act was passed—for all that, life is still difficult for many of our older people.

If I may take a moment longer to spell out the positive side, yes, we not only have pensions ever so much higher than they were a few decades ago, but we have medicare and hospitalization that covers our senior citizens, indeed everyone, thanks to efforts that have been made in the social policy field. We have senior citizens' apartments in Canada that provide, for many people, better living than they knew in their working years. We have New Horizons grants and the many things we do to make life better. But when it is said that most of our senior citizens are living at or below the poverty line, we are admitting that persons of retirement age are consigned to a state of living less than that enjoyed by those who still work, and that is not good enough. It was good enough once upon a time when we first began to pay pensions of \$20 a month to senior citizens to keep our senior citizens alive, but that was about all. And it may have been good enough a few years after that to pay pensions that provided a standard of living that was 40 per cent or 50 per cent of what pensioners enjoyed while working. But we are one people, one Canadian family, and we have reached the point where we believe and contend that our senior citizens have helped to build the country to what it is and are entitled, not just to a portion of the standard of living available generally to Canadians, but to share in that standard of living and have it increased as productivity and other factors make life better in this country as the years go by.

So the problem is there and it must be coped with. I am sure the minister and I see eye to eye on this, no question about it. I suspect she deplores just as much as I do the fact there is a tendency in this country to say: We have done enough for the old age pensioners, let us worry about some of the other problems. I face that all the time and I am sure the minister does. Worst of all, I suspect she faces it in the cabinet. As I said a moment ago, I am glad she is there to keep those right-wingers at bay.

● (1540)

The fact the minister realizes that the battle is not over and that old age pensions still have to be improved is, of course, attested to by the National Pensions Conference which she and the Minister of Finance have called for next week. I thank her for her personal invitation to me to be there. I hope to be there some of the time next week, depending on what is going on in this place Tuesday, Wednesday and Thursday of next week and what hours we have to spare.

I am concerned about statements which have been made by the Minister of Energy, Mines and Resources (Mr. Lalonde)

and by the Minister of National Health and Welfare herself about the aims and purposes of that conference. For example, speaking about the conference a few months ago she said:

The preference of the government for accomplishing these reforms—

That is, reforms to the pension system.

—is through the development of a stronger private pension system in Canada. I am not ruling out the possibility that there are improvements to be made in the public plans also; but I hope that the major emphasis will be on private plans.

That is where I feel my good friend the Minister of National Health and Welfare has been led astray. I am trying to get her back on the straight and narrow path.

A while ago the minister also said:

We would prefer to achieve this . . . reform of the pension system . . . through improvements in the private pension system. For that reason, the National Pensions Conference will focus on how to improve private pensions in Canada.

I am all for the efforts the minister has made to get the private sector to try to get its house in order; I am all for any improvements she can win there. But she is relying on something which cannot be relied on at all if she thinks that the private sector will develop the kind of pension structure which will meet the needs of all our older people. The private sector is ready to do it. It is lobbying. Some spokesmen have been in touch with me already. They contend that if we could give more to them, they would solve the problem of security for our older people.

I am not against their trying to do it. I well remember when we had the lengthy sessions of the committee on the Canada Pension Plan that the pension and insurance industry representatives were there throughout. They presented all their arguments against that scheme, though there were one or two, like the late William Anderson of North American Life, who seemed to have a social conscience, and one or two of them admitted that the development of the Canada Pension Plan was not going to take away their business but might even improve their chances to do business in the pension field. That has happened. Once we took the means test off the original old age pension and it became possible for people to save something other than their government pension and not lose it, then the market for other kinds of pensions grew.

It is not for me to tell private industry that it does not need to worry, but I say to it that it does not need to do so. The more improvements we make in public pensions, the more people will feel there is some point and value to augmenting what they get, and private industry will have its way. But to rely on the private pension industry, the insurance companies and the rest of them to develop plans to cover the situation is something we must not permit.

I have already said that 60 per cent of our senior citizens are living below the poverty line; 53 per cent of those over age 65 have so little they qualify for the guaranteed income supplement. As for private plans, they cover away below 50 per cent of the working population. As for private plans which provide indexing of pensions after retirement, I think the figure is somewhere around 2 per cent. There is just no chance that those people out there will do the job.