

*Canada Pension Plan (No. 2)*

diction. But these measures really do not go far enough. And even if, by improving the Pension Benefits Standards Act, you could cut down on the number of defaulters and bring about improvement in the plans which some of these employers operate, the plain fact of the matter is that for the masses, for the great majority of Canadian people, the best old age security they have is the security provided by the state.

At the moment it is a combination of old age security and the Canada Pension Plan. Everyone 65 and over qualifies for old age security. If I have my way, that will soon apply at age 60. But I feel the plan should be enlarged in a number of ways so as to try to meet the need which for so many has not been filled by private plans. That is why, when I referred earlier to the YMPE and to the fact that pensions are 25 per cent of one's average earnings, I suggested that pensions paid under the Canada Plan ought to be higher, say 50 per cent of the average earnings, or maybe even more. The minister might tell me that this would involve a higher percentage of contributions than 1.8. I would agree to a higher percentage.

One of the difficulties that would arise is that some people are making payments into private plans and if you require too many percentage points there is not enough left to live on. But surely some way of integration between private plans and the Canada Pension Plan could be worked out. Surely some way could be found whereby employees who are in employment where there is no pension plan in operation at all could pay double that 1.8 per cent and have the prospect of a better pension at the end of the road.

It is fair to say that society will move in this direction. It has taken a few decades to build up the idea that pensions are a social right. People will want this right to be more secure in the years ahead, but they will not get it out of private plans. They will only get it out of a state plan, out of still further improved old age security legislation and a still further improved Canada Pension Plan. I do not look for this massive improvement to appear in the bill the minister will be presenting, hopefully, at the end of this year. But I do ask the minister to put the people in his department to work on this problem of arranging for the Canada Pension Plan to take over in many areas, and certainly to provide the much broader pension protection that all Canadians desire. Many Canadians are in private plans which are unsatisfactory, or do not have anything else except their potential old age security and their potential benefits under the Canada Pension Plan.

• (2120)

Not many were expressing ideas like this when the Canada Pension Plan was first brought into being, because at that stage it was experimental and one could not ask for too much. Now it has proved successful. It has proven itself as the best way of supplementing old age security so that people can have adequate pensions, and I submit that the principles and practices of the Canada Pension Plan should now be greatly enlarged.

As I said at the outset, Mr. Speaker, we welcome this bill and the things it does. It escalates all Canada Pension Plan benefits on a basis equal to the full percentage increase in the cost of living, and it raises the amount of

[Mr. Knowles (Winnipeg North Centre).]

earnings on which contributions can be paid, which means greater pensions at the end of the road. We look forward to the other bill that the minister will be bringing in, I hope soon.

In addition to that, I hope the minister will put his people to work on the task of making the Canada Pension Plan a plan that really treats men and women on a basis of absolute equality. I hope the minister will also make the Canada Pension Plan one that will solve the problem of adequate pensions for all our people, bearing in mind the inadequacy of so many private plans. We welcome the progress that has been made in the field of pensions and social security in the last 40 to 50 years, and we look to still greater progress in the years that lie ahead.

**Mr. B. Keith Penner (Thunder Bay):** Mr. Speaker, I am very pleased to join in the hearty praise of this legislation that was so eloquently expressed by the hon. member for Hillsborough (Mr. Macquarrie) and the hon. member for Winnipeg North Centre (Mr. Knowles). This legislation is important and it is certainly praiseworthy.

Bill C-224, an act to amend the Canada Pension Plan, is such an acceptable and popular piece of legislation that any protracted debate of its principle is really quite unnecessary; therefore, my remarks in support of these amendments to the Canada Pension Plan will be appropriately brief.

The sharp rise that has taken place in the consumer price index over the past several months has been a matter of very deep concern to all hon. members of this House and to the government. Inflation has been of concern to all of us because of the squeeze it has put on the budgets of most Canadians, with its oft-times serious effect of eroding the value of their savings. In an inflationary economy the fixed income situation must be eradicated. This is especially so in the case of persons who, as a result of inflation, find themselves in desperate financial circumstances.

Bill C-224 is one of the several responses by this government in its determination to deal with inflation by restoring the purchasing power of those who have been adversely affected by the rising cost of living. These amendments to the CPP will raise to a more acceptable level the pension benefits that have become payable between 1967 and 1973, and will continue to escalate those benefits in accordance with the consumer price index and the growing incomes of the wage and salary earners of Canada.

These amendments to the CPP are further examples of the progressive social legislation of this Liberal government—

**Mr. Nielsen:** Ugh!

**Mr. Penner:** —and are in keeping with the well-established traditions of Liberalism to give leadership in social programs that help all Canadians regardless of where they live and work.

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

**Mr. Crouse:** Ugh!