

*Canada Pension Plan***CANADA PENSION PLAN****AMENDMENT TO EXTEND DEFINITIONS**

The House resumed consideration of the motion of Mr. MacEachen (for the Minister of National Health and Welfare) that Bill C-49, to amend the Canada Pension Plan, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, when the debate on the second reading of Bill C-49 was interrupted at five o'clock, I had indicated our readiness to support the bill because it takes two very timid steps in the right direction. The direction, of course, is to recognize the place of women who work in the home. My contention is that that place should be fully recognized, not just partially as is proposed by this bill.

We accept the splitting of credits of the two spouses for Canada Pension Plan purposes when there is marriage breakdown, and we accept the idea that a woman—or a man, but in most cases it is a woman—who stays home from work to raise children should not be penalized in terms of her Canada Pension Plan benefits because of that activity. I have already suggested that I think there is a better, more universal way to provide the equivalent of Canada Pension Plan benefits for those who have years when they do not contribute. I need not spell that out further tonight because I indicated the idea I had in mind when I spoke this afternoon, and I hope the minister and his department will give serious consideration to it. If it works out, as so often happens, that it takes a few years, five or ten, to put something like that into effect, I trust that those who are here today will remember when they first heard the idea proposed.

When debate was interrupted at five o'clock, I was proceeding to say a few things in reply to the remarks of the hon. member for Hamilton West (Mr. Alexander). He had taken offence at the reference in the remarks of the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. McRae) to the non-concurrence of the government of Ontario in the proposed amendment which would allow mothers to stay home to raise their children and not lose their pension credits. The defence the hon. member for Hamilton West put up was that Ontario wants to look at the whole question of pensions and pension funding. My good friend from Hamilton launched into broad, general statements to the effect that the whole nation is concerned about what is happening to our pension plans, that everybody wants to get these things sorted out, and so on.

I suggest that the only people who are concerned in the terms indicated by the hon. member for Hamilton West are those who make money out of pension plans—the insurance companies, the Colin Browns, the people who support Geoffrey Calvert, those who see pension plans as a means of making money. Most of us see pension plans as a way of determining that the older people in our society will get their share of the wealth that society produces in any decade or in any year.

[Mr. Speaker.]

● (2110)

I know of no subject that is confused by figures so much as is the question of the funding of pension plans. When persons are pensioners and live on those pensions, they are not living on food, clothing and services that they saved when they were working. They are living on food, clothing and services that are being produced right then. What pension plans, pension accounts, pension figures and all the rest of it do is simply to arrive at a calculation as to how much a person shall get in his retirement years. These opponents of indexing are telling us that a few years down the road there will be pensions twice as much as are being paid now, and that that will break the system. When I came to this place, the old age pension was \$20 a month.

**Mr. Abbott:** That was the nineteenth century, though.

**Mr. Knowles (Winnipeg North Centre):** No, it was in this century.

**An hon. Member:** Just barely. Anyway, it was a Liberal government which introduced old age pensions.

**An hon. Member:** It was the minister's father.

**Mr. Knowles (Winnipeg North Centre):** Oh no! But leave his dad alone because his dad is on a judge's pension.

If at that time I had suggested a pension of \$100 a month or \$140 a month, as it is now, members of that day would have said that would break the economy. We have now got more than \$140 as the basic pension paid to everyone who is 65 years of age and over, and I submit we have a much better economy than we had then.

When I came here, the average wages for industrial workers were in the \$2,000 to \$3,000 bracket. If anyone had said then that 30-odd years later the average was going to be around \$10,000 or \$12,000 a year, these same people would have said that that would break the economy.

When I came here, members of parliament were paid \$4,000 a year and no expense allowance. If anyone had said then that 30-odd years later we would be getting in pay and allowances over \$36,000 a year—nine times as much—persons would have said then that that would break the economy.

Mr. Speaker, 30 years from now these figures are going to be ancient history. Wages are going to be higher; probably the indemnities of members of parliament, despite my opposition, are going to be higher; and pensions are going to be higher. I just hope that they will be higher in the same proportion. That is what the indexing of pensions is all about—making sure that as other incomes go up the share of the wealth we produce, which is allocated to senior citizens, will also go up. To say we cannot afford it or to say that it will break the system is not to pay any attention to the realities of the pension situation.

If we can afford today to devote a certain portion of the goods and services that are produced in this decade to the education of children, to family allowances, a certain portion to health and a certain portion to the retirement of senior