

*Canada Pension Plan and Federal Court Act*

children's benefits, also relating to survivor benefits; changes to the rules governing maximum rates for combined pensions; and a number of significant minor amendments.

That is an impressive package that the House is passing today in Bill C-116.

In closing, I want to assure my colleagues that the reform of Canada's pension system has not come to an end. The Government places great emphasis on further changes and amendments throughout the pension spectrum. The passage of Bill C-116 does not mean that we are putting pension reform on the so-called parliamentary back burner. Rather, it stays on the front burner where Canadians generally and Members of the House will want to see the full heat retained. The Government has made significant progress in terms of that pension reform.

As well, I am confident that the results of further co-operative efforts will be a system of income security for Canadians that will respond better to their needs in the years ahead. People have asked me with respect to the Quebec Pension Plan, and particularly the Canada Pension Plan, if they will have a pension when they retire. I am sure all Members have been asked that question. With the changes that are being brought in today with the passage of Bill C-116, the pension fund is secure. There will be a pension for those who have paid into it up to today, plus these improved benefits once the Bill is passed through the House and the other place before we rise for the summer.

This package is the result of much co-operation. It is a positive step forward for the Government of Canada and it will benefit all Canadians. I commend this Bill to the House and thank the House for the co-operation I have seen in the passage of this Bill.

**Hon. Chas. L. Caccia (Davenport):** Mr. Speaker, in participating in this debate, I first want to pay tribute to the Hon. Member for Sudbury (Mr. Frith) who is on other duties today. I want to echo the sentiments of the Minister when he expressed appreciation for the Member's co-operation and input.

The House will recall that the Member for Sudbury initiated a review on behalf of the then Minister of National Health and Welfare, the Hon. Monique Bégin, in 1983. That thorough review which began in 1983 finds its final development and conclusion in this debate today in the House of Commons and the Senate. Therefore, we are indebted to the Member for Sudbury for having put on the map a number of improvements that were needed for the benefit of Canadians who enjoy the protection of the Canada Pension Plan.

On June 11, the Member for Sudbury identified a number of areas about which he felt strongly. He suggested improvements that the Government could make in these areas, which include disability, eligibility criteria for disability and the flat benefit portion of the CPP disability pension.

Bill C-116 proposes an increase in the flat rate from \$91 to \$233 for people who will receive the disability pension as of

January next year. That is a welcome development because, although people wanted a greater move in that direction—since \$233 a month as a flat rate is still very modest—it is an expression of a will to further improve the disability pension for Canadians who qualify for it.

We are still unhappy about the definition of disability, which is extremely restrictive. The statement, "indefinite duration or severe and prolonged", causes applicants to appeal and prolong the process on occasion. No doubt it is sometimes a worthwhile exercise because it results in the acceptance of an application at higher levels of appeal.

The history of contributions is still very strict. If I understand Bill C-116 correctly, the contributions still must be made during at least five calendar years out of the last ten in the contributory period or for at least two of the last three calendar years, or for at least the last two calendar years if the contributory period has only been two years long. A number of people who withdraw from the labour force because of a temporary disability discover that their disability is not temporary. When it comes time for their medical adviser or themselves to decide to apply for a disability pension they discover that it is too late, because they do not have the required number of years contribution under the law. This comes as a shock to workers, particularly those in the industrial centres of the country, as well as in rural areas. This measure should be improved to provide a better way of dealing with these problems. I am sure many Members have come across similar situations with their constituents. There must be a solution to the problem so that some people with very legitimate cases are not disqualified because of a lack of knowledge of the law, language handicaps, or other reasons. They only discover when it is too late that they do not have the number of years required.

I am pleased that the Minister is in the House today. I know that he is making note of what I am saying and will try to find a solution to this aspect of the disability benefits that requires attention. I am sure this problem is testing the administrative skill of those in charge of the Canada Pension Plan.

On the question of children's benefits, as the Member for Sudbury has said in the past, we see this as a desirable development also emanating from his study.

With respect to the basic levels of survivor benefits, we would like the 25 per cent gradually increased over the years in order to generate a higher pension. We realize that this cannot be done in a vacuum and that it will require an increase in the rate of contribution. I know that this is a very divisive and difficult topic. Nevertheless, as we acquire experience and as this fund builds up, hopefully we will find ways of making contributions that will also permit basic retirement benefit levels which, more and more, will reduce the poverty level that some people do have to face when they come under the regime of the Canada Pension Plan. I think that, philosophically, perhaps, we can find a common ground on this matter.