

Canada Pension Plan

security problems. I have here an article published in *Front ouvrier* on May 27, 1950, and which deals with the old age pension plan. I quote:

On the one hand, it would be a crime to impose a contribution on workers whose income is not high enough for them to live decently. When a large number of workers lack sufficient purchasing power, it would be illogical to deprive them further by forcing them to contribute to a pension plan. In such a case, they will ask for pay increases on a *pro rata* basis which will complicate the problem even more.

Referring to the same article, when I tell those who think only in figures to limit our financial system solely to purchasing power, here is how it ends.

That is the problem: Where will the money come from? Who will be taxed? From whom will we take money to give it to others? Who will be overtaxed?

But is it necessary that those who are working today should buy fewer products so that there will be enough left for the aged? When they think of our surplus of products, responsible people answer no. But those who fail to see that only money is lacking, and not products, answer stupidly "yes".

That is what was written in 1950 concerning the pension plan. When I say that what was true yesterday is still true today and will be true tomorrow, I think I am right.

I shall quote another document published following the statements or surveys made under the direction of Mr. Mitchell, a former minister of labour, who advocated a certain social security pension plan in Canada.

Mgr. B. J. Eustace in a summary of Mr. Gerard Filion's proposal that the role of the state should always remain supplementary in the field of social security, stated:

The state should never undertake anything (in the field of social security) that could be done by individuals or by co-operation between capital and labour. When industry has done its share, continued Mgr. Eustace, the state then might make good for the deficiencies of lower groups.

Before it is too late, before the state undertakes to provide for the security of workers at the expense of their freedom and of the socialization of business concerns, we suggest to the trade unions and employer associations to meet and discuss the possibilities and the steps to be taken in order to guarantee the security to all while safeguarding their freedom.

Mr. Chairman, you have here further evidence that the state is now doing the opposite of what the principles stipulate to those who believe in the freedom of the human being, the freedom of private enterprise, to those who believe that we should not set up a system of state capitalism smarter than the die-hard capitalistic system under which the country

[Mr. Perron.]

has suffered the consequences and the chaos which we have experienced so far.

It is all very well to extricate ourselves from a difficult situation but we must be careful lest we should jump out of the frying pan into the fire.

I hope that following other remarks I will have the opportunity to make when we consider clause 1, we will succeed in opening the eyes of those Quebeckers who today are getting more and more involved in the baneful and dangerous system of state capitalism.

[Text]

Mr. Benson: I believe the resolution now before the house represents one of the most significant and important milestones in the provision of old age income security in Canada. Within a few years more than half a million people in the 65-69 age group will be receiving this pension each year. The annual expenditures involved will exceed the level of payments under the universal pension when it was introduced in 1952.

By 1970, at which time the age of eligibility will be 65, 1,622,000 persons 65 years of age and over will be receiving the flat rate universal old age security pension. Of this number some 574,000 people will be in the 65 to 69 age group.

It is gratifying to note the measure of support that has been afforded this proposal in the house. Just as the principle of a universal flat rate pension payable at age 70 received wholehearted endorsement in 1951 when the old age security program was introduced, we have reached the stage when the principle of the universal pension applied at an earlier age is generally acceptable. Increasingly it has become apparent that while age 70 might have been a reasonable age for the commencement of this benefit in 1950 when the joint parliamentary committee recommended this approach, this is not so now, a decade and a half later. Technological change continues to exert pressures for earlier retirement ages. Retirement practices in industry tend toward younger rather than older retirement ages. Correspondence received in the Department of National Health and Welfare over the years has served to emphasize the weakness in the existing old age security program with respect to the age of eligibility for the pension. This point has been brought out in many of the briefs and representations before the committee.

There are many who reach age 65 with some modest provision for their retirement but who use up these funds during the five