

*Canada Pension Plan*

forgive me on occasion my excessive passion over this, the Canada pension plan.

**Mr. Knowles:** Blame the faults on its father.

**Mr. Lambert:** Mr. Chairman, you will excuse me if I excuse myself at the very beginning by saying that is a very difficult act to follow, particularly the last few words. However, I hope I can limit my remarks to the resolution before the committee and not—using a term which I used earlier this morning—commingle the discussion with that on the first three parts of Bill No. C-136. I am going to limit my remarks to the amendment to the Old Age Security Act. I think possibly the minister has unwittingly opened up the discussion on the bill itself, and it might have been better for her to limit her remarks and not to try to reply to some of the points put forward in the committee with regard to all of the clauses prior to clause 119, which is the first in part IV.

Neither is it my intention this afternoon to engage in a homily on geriatrics, except to say it would seem we have come to a crossroads in ideas with regard to senior citizens. First of all let me say that age 65 has come to mean somewhat of a watershed in thinking and in action with regard to the people of Canada. We have inherited some sort of fixation on 65 as the age of retirement, which is running contrary to the development of the science of geriatrics. People now have a much longer expectation of life than a generation ago, when 65 seemed to be the watershed between active life and retirement, prior to one or two years of continued existence and then anticipated departure.

Those engaged in the science of geriatrics are concerned, as the hon. member for Kamloops so ably illustrated yesterday, with the continued valuable livelihood and activity of older people, and there is no doubt that their continued activity lies at the heart of their useful life and their continuing for many more years on the fact of this earth. Within Bill C-136 we have seen a recognition of this in that there has been placed a deterrent on people retiring earlier, in other words prior to 70, because really the Canada pension plan has been focussed on age 70.

Now we are advancing to the age of 65 under the old age security legislation. One cannot try to confuse the issue of gaps being shown in the Canada pension plan for those people between the ages of 65 and 70, people who in certain circumstances or for reasons of their own, it may be because of conditions of employment, must retire at the age of 65

[Miss LaMarsh.]

and would not qualify under the contributory Canada pension plan until the age of 70. There was this gap covering many hundreds of thousands of people who would not be eligible under the Canada pension plan, and this has been the method of trying to fill this gap—not under the pension plan, but under old age security legislation, which is an entirely different thing because old age security arrangements in this country are not on the basis of a contributory plan. It is true that specific taxes are levied for the purpose of sustaining the old age security fund, but there is no definite allocation of funds to the individual. So we come to this plan which was announced a short time ago by the government to reduce progressively the age of qualification for old age security payments without a means test to the age of 65 and we know this is to be fully operative by 1970.

I would have felt more satisfaction if during her speech the minister had treated the committee to a detailed study of the cost of this plan and told us how the ways and means available to the government would be affected. The minister did refer, it is true, to the changes which are proposed in the Income Tax Act to postpone the \$500 allowance on taxable income from the age of 65 to the age of 70 on a progressive basis. This I agree will provide additional funds. It is also true to say that the federal contribution to old age assistance plans will also gradually disappear. It would have been instructive had the committee been given an estimate of what the saving is likely to be. I am sure we shall get one, but I believe the minister should have provided one earlier instead of going to such pains to defend herself against so many possible attacks. I am concerned about the additional cost which will be imposed on the general tax structure. I think that any responsible member of this house, while accepting an increase in old age security payments, would want to know precisely what these proposals are likely to cost. We know that at the present level of payments to people over 70 in receipt of old age security benefits, every dollar per month of increase represents a further charge of about \$11 million per annum to the fund. In other words, a \$10 increase in old age security benefits would mean another \$110 million per annum. These are rough figures and they cover only those people over the age of 70.

It is readily understandable that by 1970 the number of people in receipt of old age security payments may have increased very greatly. At the present time the annual charge