

Canada Pension Plan (No. 2)

orphans pensions. Compounded with federal-provincial jurisdictional aspects is the fact that the Canada Pension Plan is interlocked with the Quebec Pension Plan in order that we have a plan which is portable across the country. The bill before us, in conjunction with amendments to be made to the Quebec Pension Plan, will bring the benefits close to a parallel position and will facilitate the movement of Canadians from one part of the country to another.

Our system of pensions in Canada is based upon the universal old age pension and is tied to the cost of living. Benefits increase whenever there is a cost of living increase. In addition to the Canada Pension Plan, many groups of workers have their own private plans. The bill before us implements many of the agreements made at the welfare ministers conference of October 11 and 12 of this year. Many aspects of the agreements of those dates await another bill to be brought before the House very soon, as indicated by the minister last evening.

I was interested in the communiqué from the conference of welfare ministers, especially the part about other areas on which they did not reach agreement, but which need further discussion before action can be taken. I read a short section of this communiqué as follows:

The federal and provincial governments noted in the course of the conference that there remain a number of additional concerns about the Canada and Quebec Pension Plans including, for example, the equality between men and women with regards to contributions and benefits; non-contributing spouses; the suggestion that early retirement provisions should be built into the Canada and Quebec Plans; the level of survivors and disability benefits; and other matters. These will receive priority attention.

This is most encouraging as I believe there is great support in the country for equality between men and women in respect of the Canada Pension Plan. I certainly support this and feel there is need for change so that housewives are eligible to contribute. I have in mind various small businesses which are not incorporated and where the wife is very active; perhaps it is a small family business or farm. I think we should look into this aspect. If an individual does not have a private plan, these benefits, although they are good, would not provide a complete source of income on retirement.

I should like to refer to another matter that should be considered, although it does not specifically relate to the Minister of National Health and Welfare but to government activities so far as the Canada Pension Plan is concerned. I refer to the person receiving the disability pension. In order to receive a disability pension under the Canada Pension Plan a person must be, so far as medical evidence can indicate, permanently disabled. It seems to me that in the amendment made to the Income Tax Act a year or so ago, provision was made for an additional personal deduction of \$1,000 for a disabled person. However, this is a rather restrictive type of deduction: it requires a person to be bedridden or severely handicapped.

● (2010)

If a person is disabled to the point he will receive a permanent disability pension under the provisions of the Canada Pension Plan, I think he should be entitled to the additional deduction under the Income Tax Act. I have written the Minister of Finance (Mr. Turner) on this point

[Mr. Foster.]

and he has assured me, and a constituent who inquired about this matter, that it would be considered in the future. I hope this suggestion will receive the support of the government.

I believe that to place this bill in complete perspective we must consider the overview that it is part of the government's complete review of its social security program which was outlined in the booklet entitled "A working paper on social security" which the Minister of National Health and Welfare (Mr. Lalonde) introduced last April 18. I certainly like this approach of setting out definite objectives in the social security field. I believe we should do this in other fields as well.

I am not suggesting that we should bring down positive solutions but, rather, that we should define the problems, set out possible ways to correct them and then go to work in an orderly and constructive way to solve them. This is what has been happening since last April when a time limit of five years was placed upon the phasing-in of the program and two years to adopt it.

The field of social security is a complicated one because there is shared jurisdiction between the federal and provincial governments. Certainly much progress has been made. We realize that 1973 perhaps will be a year in which a long step forward will be made in the field of social security in Canada. Some people may be interested in the economic development of our country and the 7 per cent or 8 per cent increase in our rate of growth; but many people also will be concerned with the progress which has been made in respect of social security.

When we look at the old age pension we see that it was increased from \$82 to \$100, and subsequently to \$105. Hon. members will recall that in 1972 this pension became subject to escalation tied to the cost of living. This fall, again, that provision was tied to a quarterly rather than an annual increase. In the field of family allowances, likewise, there was an increase this fall from an average of \$7.21 per month to \$12 a month. There is now a bill before the Standing Committee on Health, Welfare and Social Affairs to increase it to \$20 effective January 1 next. As well, there is provision in that bill for escalations to be made to family allowances in future years. Of course, this is subject to a debate in the House of Commons.

Likewise, the guaranteed income supplement, which really is part of the old age security, has been increased. This guaranteed income supplement was designed to fill the gap which would occur between 1965 and 1975 while the Canada Pension Plan is reaching full maturity as a funded program, at which time full pensions would become available to the beneficiaries. It seems to me the next item we should be dealing with in our review is the guaranteed income supplement, especially as it relates to the situation where the spouse of the retired person is under age 65. I believe there is some urgency in this regard.

I often receive letters from constituents to the effect that the husband—it could be the reverse; it could be the wife—has retired and the wife is five or ten years younger. In such case only one benefit is received under the guaranteed income supplement. I believe there are many occasions on which there are very serious, almost tragic circumstances because in most of these cases there is little