

*Supply—Health and Welfare*

the joint committee made up of members from the four parties in this house and from both parties in the other place.

I would point out that there are three aspects to the question of old age pensions on the benefit side: the age, the amount, and the means test. In my view there is a job to be done with respect to all three of those aspects. As hon. members know, I along with others so contended in the committee, as I have done in and out of this house across the years. With a committee of that size and complexity it could not be expected that everyone would agree with what every member wanted. It is true that the committee did not arrive at a decision with respect to our arguments for increasing the amount of the pension, but it did take action with respect to the removal of the means test, at least at some point. The point decided upon by the committee was the age of 70.

In its recommendation that the pension start at age 65 the committee did not go all the way that some of us would have liked to have seen it go and recommend that the pension at that age start without a means test. But progress has been made. It is proposed for the first time in Canada, and in a form that has some chance of reaching the statute books, that there be a pension payable at age 65. Because of that recommendation, because I see a possibility of its reaching the statute books, I feel that our job now is to get in and fight for all we are worth in as united a fashion as we can.

I should like to say one further word about the benefit side. When I referred to this recommendation as not going far enough I do not want that to be taken as a political belittling of it on my part. In my view the recommendation the committee made has got over one of the most important hurdles in the field of old age security in that it calls for the establishment of the principle of universality, even if it does not start it at 65 years. For the first time we will have the principle of universality established or in other words the elimination of the means test. That is an important hurdle, that is something we have been fighting for across the years. In my view it will be a great day for Canada when that becomes the law of the land.

There are other changes that will have to be made after that, but those changes will simply be amendments; this report establishes certain basic principles, and I do not want to do anything that will jeopardize the chances of getting this program implemented.

In addition there is the question of how this old age pension program is to be paid for.

In the main there are two general ways, one being the insurance or funded principle by which the money is put aside by contributors into a fund designated for the purpose of the contributor and paid to him on the basis of some relationship to the amount he has paid in when the time comes for him to retire. The other way of paying for pensions is on a current or pay-as-you-go basis. By that we mean that those on pension now will draw their pensions out of the general revenues of this day and age, to which we who are now working will contribute.

In my view it is a very important decision for a country to make, whether it is going to put its old age security program on a funded or on a current or pay-as-you-go basis. This report is the most significant report in the history of old age security in this country because it rejects the funded idea, which has failed where it has been tried, and comes out clearly for the current or pay-as-you-go system. The leader of the opposition has used the word "contributory", a word which any of us who were on the committee would not use lightly, or without defining it. I am not going to go into it because we who were on the committee know the various definitions that can be given to it. He has also used the word "actuarial" in relation to establishing a proper old age pension plan. Our study of the plans in other countries made it clear to all of us, certainly to the vast majority, that we would be making a mistake if we tried to establish old age security on a funded plan or an actuarial basis, or indeed on any other basis than a current pay-as-you-go system.

Because the recommendations of the committee are on that side of this important question, I say again that this is a splendid piece of work the committee has done. I raise my voice now to say, as I said in the committee and as I have said tonight, that despite my interest in getting something better later on, in getting the amount raised and the age at which it is payable universally lowered, I do not think that now is the time to introduce any note that would jeopardize the chances of getting this much adopted. We have got agreement amongst all four parties in the house through their representation on the committee. We got agreement between this house and the other place. I feel we have something that will appeal to the provinces as worthy of their favourable consideration. I feel we have something that will not only commend itself to the government but something that the government will realize they simply cannot fail to implement, and until this report has been implemented that should be our main job in the field of old age security. I shall continue to fight down through