

Adjournment Debate

● (2200)

The difficulty with the proposed amendment is that it will only permit the wife and mother who was previously a contributor to the Canada Pension Plan and who stayed home for some time to look after young children before returning to the work force to leave out of her Canada Pension Plan calculations those years she was at home looking after children under seven years of age. That is all the proposal would do, and this was clear in the announcement that the government made.

Sir, that in itself would provide no increase in benefit for the mother who stays home for a few years to look after children. That proposal would merely say that she will not lose some of the benefits she has already built up; in itself it would provide no benefit at all, not one cent. Even more serious is the fact that there will be no benefit, no provision under the Canada Pension Plan for the wife and mother who stays home throughout her married life to look after the children and family and in that way contribute to the well-being of the family and the well-being of the country.

I know there are arguments about how we can provide Canada Pension Plan benefits or the equivalent thereof to housewives or homemaker spouses. I believe those difficulties can be overcome. What I am most concerned about tonight, and I am sticking to the point I raised in my question yesterday, is this: there is a danger of an oversight, a danger that a mistake will be made. Let us not have another of these half measures—even that is a generous description. They are quarter measures, decimated measures.

Mr. Baker (Grenville-Carleton): Do not exaggerate.

Mr. Knowles (Winnipeg North Centre): No, I am not exaggerating. The government is exaggerating.

Mr. Baker (Grenville-Carleton): Hear, hear!

Mr. Knowles (Winnipeg North Centre): It is exaggerating by suggesting it is doing something generous. Let me make my plea, Mr. Speaker. Having made a mistake in the allowances for spouses between 60 and 65 by covering only a few persons in that age bracket when many others need the coverage, I hope the government will not make a parallel mistake when it amends the Canada Pension Plan by doing only the little bit indicated in the Speech from the Throne and in the speech of October 14 made by the minister from Skeena.

What is needed is not just the right for the mother who stays home a few years not to have those years counted against her Canada Pension Plan credits; what is needed is a pension benefit for those who make a contribution to Canada by being homemaker spouses, housewives and mothers, equivalent to what is available under the Canada Pension Plan for those out in the so-called labour market.

The only thing the minister said yesterday which I welcome was his assurance that he would still be open to any suggestions when the bill gets to committee. However, once a bill is brought in, it is difficult to change it. I therefore hope the parliamentary secretary tonight can say that this bill has not

[Mr. Knowles (Winnipeg North Centre).]

been finally drafted or the doors closed to making it a better bill. Let us have a benefit for homemaker spouses which is really worth while.

The Acting Speaker (Mr. Turner): Order, please. I must interrupt the hon. member, whose allotted time has expired.

Mr. Paul E. McRae (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I should like to respond to the hon. member's concern regarding the proposal to make provision for spouses who work at home under the Canada Pension Plan.

I should first like to note that the purpose of the "special drop-out" provision, as it is technically known, is to ensure that a parent who remains at home to care for young children will not be penalized, from the point of view of the CPP, for that period during which he or she may have low or zero earnings. In other words, the provision is intended to protect the eligibility for, and level of CPP benefits earned by such a person before, and perhaps even during, the period devoted to raising young children. In this sense the proposed provision gives some economic recognition to work in the home.

Basically, the proposal would allow a contributor to drop out months of low or zero earnings within the "child rearing" period from the calculation of lifetime earnings on which basis CPP benefits are calculated. I should also mention that any CPP contributor or potential contributor would be eligible for the "special drop-out" provided that he or she has children under age seven in his or her care.

I should mention here that there are three drop-out features currently contained in the CPP legislation, that is, one for periods of disability; a general one for periods of intermittent unemployment or sickness or other similar contingencies; and one to allow substitution of contributions made after age 65 for earlier periods of low or no contribution. In our view these drop-out features are not sufficient.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. McRae: An additional feature is needed, like the one proposed, to meet the special needs of parents whose choice of whether or not to stay in the labour force is severely influenced by the presence of young children. This feature would give recognition to the fact that the raising of children constitutes a substantial contribution to Canadian society.

Mr. Knowles (Winnipeg North Centre): That won't be sufficient, either!

Mr. McRae: To extend the spouse's allowance to widowed or single persons 60-65 years of age raises some fundamental concerns. First, such an expansion of our public retirement income programs would have significant implications in terms of costs, effects on investment and earnings, the labour market, the private pension industry, and so on.

Second, this would generate considerable pressure for lowering the eligibility age for the regular OAS pension and for