

*Canada Pension Plan*

provide for portability between those provinces as well as portability with the Canada pension plan.

**Mr. Nasserden:** Mr. Chairman, the next obvious question must be: What does the minister mean by "comparable"? Does the federal government consider portability in relation to individual provinces, or between provinces and the federal government, and will portability in this sense be a federal requirement in respect of any opted out provincial plan?

[*Translation*]

**Mr. Caouette:** Mr. Chairman, I readily understand the minister's explanation to the effect that if each province had its own pension scheme, there would have to be an agreement between them with respect to the transfer of pensions. However—and I hope I am being listened to at present—this is what I would like the minister to set out clearly. Let us say that after participating in the Canada pension plan for one, two or three years, a province decides to go on its own. Could we have the assurance that, if such a thing happened, the federal government would hand over to the province concerned full amount of the contributions paid in by the residents of that province?

[*Text*]

**Mr. Benson:** Mr. Chairman, that is exactly what this clause provides.

**Mr. Nasserden:** Would the minister answer the question I asked?

**Mr. Benson:** Mr. Chairman, my hon. friend has raised a question with regard to portability. I honestly do not think that provinces which come into the Canada pension plan initially are likely to move out, although that is their right and they can do so, but the conditions within the plan require that their plans be portable when they move out. Presumably arrangements would be made between that province and the Canada pension plan just the same as arrangements are going to be made with the province of Quebec so that there will be an exchange of benefits between the two provinces. Let us say that some person has contributed in four provinces that have pension plans. There would presumably be arrangements made so there would be one pension cheque paid to that person when he retired, and there would be financial reimbursement from the other plans in the same way as there will be between the Canada pension plan and the Quebec pension plan. So we would work toward portability.

**Mr. Monteith:** Mr. Chairman, I personally believe there is portability. I do not want to put words into the minister's mouth but I understand that it works out this way. Let us say that someone is in the Quebec pension plan at the moment and they move to British Columbia at which time they start paying into the Canada pension plan. Their contributions to the Quebec plan are transferred to the Canada pension plan. Am I right?

**Mr. Benson:** No, not quite. They have contributed to the Quebec pension plan—I think we went through this earlier—and they move to British Columbia or Ontario and contribute to the Canada pension plan. This goes on until the time they reach 65.

**Mr. Monteith:** They will have two cheques?

**Mr. Benson:** No, they could have received two cheques, but they will not because we anticipate an arrangement with the province of Quebec whereby one cheque will be paid from the Canada pension plan if they are living in Ontario or from the Quebec pension plan if they are living in Quebec. Payments will be shared in relation to the contributions, and this is the way, pension plans will be portable in Canada.

**Mr. Monteith:** My point is there is actually portability no matter to which pension plan you belong, or whether you belong to a pension plan of a province which opts out some time in the future?

**Mr. Benson:** Yes.

**Mr. Monteith:** These interprovincial-federal plans, shall I say, will be co-ordinated so there will only be one cheque. No matter where you live you will get your full pension.

**Mr. Benson:** That is the point I am trying to make but one cannot guarantee that such will be the case because somebody may say they will not make an agreement with us. But certainly if a province moved out of the Canada pension plan I believe it would be greatly to their benefit to make this kind of arrangement because they do not want to mix up their contributors pensions any more than the government of Canada does under the Canada pension plan.

**Mr. Pugh:** Mr. Chairman, I think that portability is one of the essentials of the Canada pension plan or any pension plan throughout Canada and therefore I should like to try to bring together the minds of the