

I should like to name them and give the year in which they took action. They are as follows:

1. Eastern Townships Bank 1889
2. Bank of Toronto 1889
3. La Caisse d'Economie de Notre-Dame de Quebec 1912
4. La Banque Nationale 1915
5. Bank of Hochelaga 1916
(Name changed to Banque Canadienne Nationale)
6. Royal Bank of Canada 1935
7. Canada Packers, Limited 1939
8. Canada Steamship Lines, Limited. 1940
9. Consolidated Mining and Smelting Co. of Canada, Limited .. 1940
10. Barclays Bank (Canada) 1940
11. Canada Starch Co., Limited .. 1941
12. National Breweries Limited .. 1941
13. Bank of Montreal 1948

It will be observed that great banking institutions make up about fifty per cent of the list.

I am particularly surprised that so little advantage has been taken of this legislation in view of the fact that pension funds, when approved by the department, enjoy certain benefits and exemptions under the Income Tax Act. Most corporations and individuals spend a good deal of time studying methods of exempting their funds from the exactions of income tax law. Section 11 (1) (g) of the Income Tax Act exempts from tax:

Amounts contributed by the taxpayer to or under an approved superannuation fund or plan not exceeding in the aggregate \$900 in the year.

Paragraphs (f) and (o) of subsection 1, of section 57, exempt the taxable income of the following organizations:

(f) a labour organization or society or a benevolent or fraternal benefit society or order.

(o) a trust or corporation established or incorporated solely in connection with, or for the administration of, an approved superannuation fund or plan.

A good many plans have been and are being submitted to the income tax authorities for approval. By no means all of them are approved, because one of the requirements is that they be sound from an actuarial point of view, and another, that they qualify as real, genuine superannuation or pension funds. But if a society incorporated under this legislation satisfies the material requirements of the income tax officials, it is in line to obtain exemption in respect of its payments, and many other benefits as well. It may be that, notwithstanding the maturity—shall I say the old age maturity—of this legislation, corporations in Canada are only now awakening to the use which may be made of it.

Hon. Mr. Campbell: Are the benefits of the Act limited to a company incorporated by the Parliament of Canada, or do they extend to companies incorporated by letters patent?

Hon. Mr. Roebuck: The Act applies to companies incorporated under any Act of the Dominion Parliament, which means incorporated under the Companies Act or by special Act of the Dominion Parliament.

Hon. Mr. Campbell: It does not cover provincially incorporated companies?

Hon. Mr. Roebuck: No, it does not apply to provincial corporations at all.

Hon. Mr. MacLennan: I understand that the Canadian National Railways have a pension fund. I understand also that upon the death of the pensioner the pension ceases. Under this legislation would the widows and children of a pensioner receive any benefit from the pension fund?

Hon. Mr. Roebuck: That would depend entirely upon the bylaws of the society. Under this legislation the society is empowered to establish a fund for the payment of pensions to widows of the members of the society. The society may have other purposes, such as the payment to its members of sick benefits or annuities, which might expire with the death of the annuitant. All that depends upon the society itself. The power to extend the benefits does exist, if the society wishes to exercise it.

I was saying that perhaps only now are Canadian corporations waking up to the potentialities of this legislation. However that may be, the present amendment is brought about by the desire of a very large company in Canada, having some 8,000 employees, to form a pension fund society which will apply to all its employees. The difficulty is that the enterprise is carried on by a parent company and six subsidiary companies, all engaged in carrying on what is one business. I do not think the identity of the corporation is any secret; it is the Imperial Tobacco Company. This company has found that under the existing legislation it would have to incorporate no less than seven societies, and the directors could not be the same for all because the personnel would not be the same. Unless a man were an employee of all of the companies, he would have to be the employee of each one in turn. In any event, as the law stands, the company's pension operations would involve the keeping of seven different sets of books, seven different sets of bylaws, seven different annual meetings and so on. Such a division is not desirable. On the other