

[The table follows:]

CONTRIBUTIONS TO PUBLIC PENSION PLANS IN
VARIOUS COUNTRIES

	Insured Person	Employer	Government
France	3.45 per cent	7.70 per cent	none
Germany	9 per cent	9 per cent	subsidy of about 16 per cent of total cost
Greece	4.75 per cent	9.50 per cent	contributes as needed
U.K.	7.75 per cent	8.75 per cent	approximately 18 per cent of cost
Italy	7.15 per cent	16.35 per cent	lump sum subsidies
U.S.	6.13 per cent	6.13 per cent	some special old age benefits
Canada (Present)	1.8 per cent	1.8 per cent	none
Canada (proposed)	4 per cent	4 per cent	none

Senator Croll: There is one figure there that belongs to me. That is the one below the line where I indicate what the present contribution in Canada is and what it is likely to be afterwards. Even though this document will be on record, I should like to read some figures from it. In France the insured person pays 3.45 per cent and the employer pays 7.7 per cent. The government pays nothing. In Germany the insured person pays 9 per cent and the employer pays 9 per cent and the government pays a subsidy of about 16 per cent of the total cost. That comes from the general treasury. In Greece the insured person pays 4.75 per cent and the employer pays 9.5 per cent, and the government contributes "as needed," whatever that may mean. In the United Kingdom the insured person pays 7.75 per cent and the employer pays 8.75 per cent, and the government pays approximately 18 per cent of the cost out of the general treasury. In Italy the insured person pays 7.15 per cent and the employer pays 16.35 per cent, and the government pays lump sum subsidies—whatever is necessary. In the United States the employee pays 6.13 per cent and the employer pays 6.13 per cent, and there are some small benefits paid by the government that are of no consequence. Then in Canada the employee pays 1.8 per cent and the employer pays 1.8 per cent, and the government pays nothing. What we are suggesting here is that the employer and the employee should each pay 4 per cent. We have been getting away with pretty low costs for a long time.

What is even more interesting, honourable senators, is that this country has a view on pensions that most of you could not believe. The Scandinavian countries spend approximately 12 per cent of the gross national product on pensions. In Germany the figure is 9 to 10 per cent, in France 7½ per cent, in Great Britain 9 per cent, in the United States it is 5 per cent, and in Canada it is 3 per cent. Somehow we have always gone cheap on pensions in our country. I had always thought that we were very well insured, but in reality we are not.

Senator Rowe: Does Senator Croll have a breakdown for the Scandinavian countries? I gathered the impression in Denmark last year that it was even higher than the figures he has given.

[The Hon. the Speaker.]

Senator Croll: I am sure those figures have been provided to me.

Once the level of pensions payable increases, the plan will be ideal. I have already said this, but it is worth repeating even at this late hour. One of the most complex issues in the whole field of retirement income is the unsatisfactory treatment of women in the pension system. This is partly due to historical reasons. Not so many years ago the attachment of women to the labour market was regarded as marginal. It is true that many of them did go to work after schooling was over, but this was often for a relatively short time before marriage. Sometimes they were forced by circumstances to go back to work in later years. It was hard for them to build up any pension rights. There was an outright discrimination in some respects. Women often joined pension schemes late and were retired early. Even with the surge of women into the labour market in the last few years they are often in relatively low paid jobs, part-time and non-unionized jobs, and all of this tends to impair their pensions.

One disturbing aspect of the problem of women and pensions is that only 27 per cent of the female workers were covered by private pension plans in 1976, according to Statistics Canada. This compares with 44 per cent of the male labour force. Both figures are dismal. What is worse is the number of unattached women over 65 who have no private pension plan of any kind, and according to data collected by Health and Welfare Canada in 1975, 81 per cent of those women received no pension at all from private sources. For those who did, the average amount was less than \$2,000 a year in 1975—not exactly a princely sum.

Even greater difficulty was experienced by housewives who were completely dependent on their husbands and families. The rules of the Canada Pension Plan and the Quebec Pension Plan did not permit housewives to contribute even if they could afford to. One of the basic rules of the plan was that contributions had to be connected with paid work. The result has been that housewives were discriminated against, although it was recognized that they did make a real contribution to the economy, even though it was not the sort of thing that could be added to the gross national product.

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The committee considered this problem with some care and concluded that the most promising solution was to give wives a half share of the pensions earned by their husbands under the Canada Pension Plan. The converse was also recommended, because husbands should share equally in pension dollars earned by their wives. That is based on the fundamental notion that marriage is a partnership on earth, even though it is made in heaven. There are roughly 5,625,100 married women in Canada now, and the great majority of them will ultimately be affected by the proposal.

The number of old people is growing and will continue to grow. They deserve better treatment, but there is little doubt that they will have much political clout to demand it for very long. They need help now. That is why the emphasis is on things that we can see with clarity now.