enjoyment for the 2,000 people affected by those plant shutdowns and lay-offs. They should remember the severe impact of those shutdowns on the lives of people who enjoyed fairly steady employment over a period ranging from 20 to 35 years. Those individuals suddenly found themselves without jobs, mainly as a result of decisions in head offices located outside of Canada. The head offices made decisions to transfer wealth from Canada to some other country. This was not because the plants were not productive, but because the corporations did not make enough profit and felt they could make more profit if they invested that wealth outside Canada.

Because of the existing legislation, those people did not have enough service with the companies to give them vested rights in pension plans. It is an example of what the hon. member who spoke prior to me said. Those persons were only entitled to receive back the contributions they had paid into pension plans. Some people with up to 14 or 15 years of service with those companies left with no guarantee of retirement incomes. I do not see anything humorous in that particular situation at all. We are talking about some form of financial security for people who have invested up to 15 years of their lives in corporations and end up knowing that those 15 years will not count in terms of retirement income at age 65.

Another area of concern is how the private sector treats people who leave work because of particular disabilities and apply to the Canada Pension Plan for disability pensions under its provisions. Many Canadian private pension plans have a provision which indicates that if an individual applies to CPP and receives a disability pension, any entitlement to a disability pension with private insurance carriers is deducted from the pension income, simply because he or she is eligible for disability benefits under the Canada Pension Plan.

This is inequitable because, when a person buys a pension in the private sector he or she is buying it with moneys regarded by employees as deferred wages or salaries. If the person did not buy a pension, it is assumed that the pension premium would otherwise be reflected in the wage package at the end of each week. Those are moneys to which that individual is and should be entitled when he or she becomes eligible, without being faced with private insurance carriers deducting those benefits when the individual most needs the money.

Pension funds are not small change. Collectively, pension funds in the private sector control some $40 billion worth of assets. Moreover, this figure is doubling every four years, and the Economic Council of Canada predicts that in the next 50 years pension assets will be worth two thirds of the gross national product. Also, pensions reflect a good chunk of total savings.

Between 1972 and 1976, 23 per cent of all savings or $40 billion was spent for retirement purposes. Where was this money invested? Most of it went into corporate stocks, and today pension plans own close to 20 per cent of all shares traded on Canadian exchanges. In addition, a sizeable amount was invested in mortgages and bonds. For example, in 1975 pension funds bought 41 per cent of new corporate bonds, 34 per cent of government securities, and 13 per cent of all mortgages.

There are some 15,000 pension plans in Canada. This figure covers the entire gamut of occupational pension plans, including the public and private sectors, multi-employers versus single employers, both defined benefits and non-defined contribution plans. These plans covered some 4.2 million people in 1978 or 40 per cent of the labour force. Most of these plans or 73 per cent of them, to be exact, have invested through insurance companies which are able to pool assets across a large number of small plants. While it may very well be that this arrangement is preferable for small employers, large employers have sizeable pension assets and they tend toward trust fund arrangements. Under this arrangement, large companies can pick and choose between trust companies and have a greater say in portfolio selections.

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In 1978 trustee plans made up 27.2 per cent of all pension plans, but they comprised a much larger fraction of total plan membership, or in the area of 67 per cent. For the largest firms, pension assets are sufficient for self-management of the funds. For example, the Canadian National pension fund, with $2 billion in assets, is self-managed. As an example of its financial clout, the Canadian National fund owns 23.5 per cent of Siebens Oil and Gas Limited.

With these funding arrangements, it is apparent that the control of pension assets is highly concentrated in Canada. For the smaller plans, the investment decisions are made by a handful of insurance companies which specialize in this particular business. The trusteed funds, with the bulk of the assets, are managed by either a few trust companies or are self-managed. For example, the largest 50 pension plans hold two thirds of all pension assets. In total, it has been estimated that some 200 people control the investment of all pension funds in Canada.

It has been proposed that pension investments be redirected in the best interests of both pensioners and workers. In my view, this would involve a strategy of social or alternative investments in growing industries which would include housing, public facilities, and the like. This must be done in such a way as to protect the interests of current and future pensioners. In other words, alternative investments need to be scrutinized to see that they provide comparable rates of return to the fund to fulfil the pension promise. Alternatively, a portion of the fund's assets could be set aside for alternative investments without jeopardizing pension security.

There are numerous examples where pension funds could be redirected to benefit Canadians. For example, pension funds could be used to buy back our foreign-owned industry. The CN pension fund's holdings of Siebens Oil and Gas is but one example of this. Other large funds, like the OMERS—Ontario Municipal Employment Retirement System—fund, with assets of more than $2 billion, should be encouraged to do likewise. At the very minimum, this would stem the dividend outflow