

According to 1961 Census data for Canada excluding Quebec, the proportion of male self-employed farmers to total male self-employed workers was about 48%. Thus, when some weight was given to the decreasing trend in the number of workers in agriculture, it seemed not unreasonable to assume that, for the period 1966-75, the average proportion of male self-employed farmers to total male self-employed workers would be 45%.

In the development of the participation rates, about 3% of otherwise eligible male workers including male self-employed farmers were assumed either to be ineligible to contribute under the Plan because of annual earnings less than the minimums allowable for contribution purposes or would not participate for other reasons. To take account, for purposes of the short-range estimates, of additional male self-employed farmers who will not contribute under the Plan because of low income or for other reasons, it was assumed that a further 50% of male self-employed farmers will not contribute in 1966 and that such proportion will gradually decrease to about 35% in 1969 and will remain at that level to 1975.

On the basis of the assumptions described in the preceding paragraphs, total male contributory self-employed earnings for the short term were taken to be the proportions of total unadjusted male contributory earnings shown in Schedule 8 below.

SCHEDULE 8

MALE CONTRIBUTORY SELF-EMPLOYED EARNINGS AS
PROPORTIONS OF TOTAL UNADJUSTED MALE
CONTRIBUTORY EARNINGS

Year	Proportion %
1966.....	15.5
1967.....	16.0
1968.....	16.5
1969.....	17.0
1970.....	17.0
1971.....	17.0
1972.....	17.0
1973.....	17.0
1974.....	17.0
1975.....	17.0

Clearly, the benefits that depend on male contributory earnings, namely, male age retirement pensions, male disability pensions, widows' and orphans' pensions and male death benefits, will be affected by the reductions in male contributory earnings that were made to take account of "lower-than-average" participation among male self-employed farmers. While, for any year after 1967, the extent of reduction in benefits should be slightly greater than the reduction in male self-employed contributory earnings for that year because of the carry-over effect of proportionately higher reductions in 1966, 1967 and 1968 than in later years, it was considered satisfactory to assume the same year-by-year decrease factors for the affected benefits as for contributory earnings, that is, 4% for 1967, 3.5% for 1968 and 3% for each year 1969 to 1975.