

Canada Pension Plan

We have also looked into the problem of fitting this into electronic equipment. The government of Canada, being one of the largest employers, is going to have this problem, and we have found it can be dealt with quite feasibly within the electronic equipment used to prepare large payrolls. We hope, provided this legislation is passed relatively quickly, that there will be ample time for people to prepare their programs for complex computers to take care of Canada pension plan deductions. However, we must recognize that collecting taxes such as sales tax, making employee tax deductions, providing for unemployment insurance and Canada pension plan contributions do create costs for employers.

Indeed, many employers in Canada have made representations to governments, not only to this government but to provincial governments, urging that they be reimbursed for these costs. That has never been the practice in the collection of federal taxes, and if one tried to calculate the costs it would be found that they vary for each and every employer in the country. Such a reimbursement would have to come out of the federal treasury and taxes would have to be raised on business and the public generally to provide the funds for such reimbursement.

Mr. Valade: With reference to the point made by the minister, I do not think he was right when he said no government will allow deductions in order to compensate for the additional cost of collecting the money.

Mr. Benson: I did not say "no government". If I did, it was in error. I said the federal government has never paid.

Mr. Valade: Since some provincial governments allow a certain amount of money to be deducted to take care of the costs of collecting unemployment insurance and, for instance, provincial taxes dealing with health matters, would the federal government not consider the possibility of allowing a certain percentage of expenses to be deducted from income tax for the purposes of the Canada pension plan deductions and contributions?

Mr. Benson: Any change of government policy in this wide and important field would have to be made by the Minister of Finance and would have to be presented in a federal budget. I do not think this could be a policy that could be decided upon solely for the Canada pension plan, and ignore the other fields where employers have to carry out certain functions.

Mr. Lambert: With regard to subclause 6, may I ask the motivation for double penalties and interest? Is it in keeping with the same standards for failure to remit deducted income tax and unemployment insurance payments? Are they the same?

Mr. Benson: They are the same as under the Income Tax Act for tax deductions.

Mr. Aiken: While on the question of administrative costs may I say that many members of the special joint committee were under a misapprehension about the percentage costs involved in the Canada pension plan as compared with United States social security costs. I cannot find the reference right at the moment, but it was the general impression that we were estimating administrative costs a great deal lower than costs for U.S. social security. However, the figures produced today indicate that they are comparable.

I would like to ask whether either of the departments has been able to calculate, in terms of persons, the costs of administering this plan, the number of people who will have to be employed to handle its administration.

Mr. Benson: If the hon. member will bear with me for a moment I can get that.

Mr. Knowles: It was given to the committee.

Mr. Benson: The additional staff involved in the Department of National Health and Welfare varies from 240 in 1966 to an estimate of 1,540 in 1975. In the Department of National Revenue it varies from 1,010 in 1966 to 1,209 in 1975. In the unemployment insurance commission it varies from 62 in 1966 to 72 in 1975, and in the comptroller of the treasury from 25 in 1966 to 135 in 1975, indicating total staff requirements of 1,337 in 1966 to 2,956 in 1975. I have the figures in between, and if hon. members would like to see them in *Hansard* I would be glad to have the table produced.

Mr. Lambert: Only to show how widely out you will be. Like many other major programs that are introduced, people will have some considerable difficulty in making out the terms and getting advice with respect to the Canada pension plan. Each time there is a change in income tax or unemployment insurance the public must have ready access to advice. It may be that temporary staff will have to be hired for, say, the first six months of 1966 and perhaps for the last quarter of