

Canada Pension Plan

Thus was set up the unemployment insurance fund which the government has to replenish constantly, even though a decreasing number of workers are entitled to benefits. Benefit entitlement has been made so complicated, through all kinds of amendments to the act, that many of our workers can no longer draw unemployment insurance benefits, even though they contributed to the fund during 10, 15 or 20 years.

The same situation will probably occur in the case of contributory pensions, because, on the one hand, you will have administrative regulations and an all-powerful and expensive bureaucracy, and on the other, small pensions of \$75, \$80 or \$90 a month for the wage earners.

Some provinces such as British Columbia, already find it possible to pay up to \$95 a month to old age pensioners. Why this rush with this pension scheme? It is merely another intrusion in a field of exclusive provincial jurisdiction. By coming into this plan the provinces will only lose their rights.

The pension plan will thus have been reduced from 70 to 65 years in 1970. In the meantime, the provincial governments will have lost their rights progressively while the federal government will administer the payroll of the workers.

The federal government is increasingly centralizing tremendous and discretionary powers, drawing no attention to existing plans or those which are at cross purposes with the plan now in existence.

The hon. member for Winnipeg North Centre referred a while ago to crown corporation employees who are now contributing to pension plans and who would, in three, four or ten years, enjoy a pension proportionate to their contributions up to \$400 a month. He said that those employees are now wondering what purpose will be achieved by the new pension plan.

I repeat that in the province of Quebec 30 per cent of the workers already contribute to pension funds allowing them in many instances to get, when they retire, amounts much higher than those shown in the pension plan now before us. Why is that possible? Because instead of investing in non-profit or government controlled businesses an accrued capital of \$2 billion, employers and employees jointly, or private companies managing these pension schemes, invest those funds in profitable private enterprises or they buy bonds which double the capital after 20 years.

The first contributions thus paid into the pension fund enable the pensioner to profit from amounts reaching sometimes up to 60 per cent of his salary earned annually during his years of work, while the pension plan

which we have before us today does not exceed 20 per cent of the earned salary during the normal lifetime of the person who will have contributed, worked and contributed again to that pension plan.

This means that the pension plans already in existence are more profitable to the worker contributing thereto.

Why should provincial governments not make as much publicity in order to direct capital investment towards private industries. This would promote expansion of private industries which need capital to develop natural resources, thereby permitting an accumulation of funds which would make it possible to give old age pensioners a better pension than is offered under the plan before us today, even though employees and employers would contribute 1 and 1½ per cent.

Another thing, Mr. Chairman, we know the results produced by previous contributory and compulsory plans. We are turning our employers into fund collectors for the federal government and, furthermore, these collections will come out of the pay envelopes of the small wage earners; in short, beside their own contribution on a compulsory basis at the rate of 1 or 1½ per cent, the employers will see the operating cost of their enterprise go up.

Nowadays, employees, secretaries, are paid to paste stamps on unemployment insurance books, some are paid to comply with income tax requirements; extra staff is hired, in private enterprise, to comply with sales tax requirements and still more people will have to be hired, which will justify, of course, private enterprise for increasing the costs of its services or the products it puts on the market.

That is the bureaucratic burden which will result from the administration of compulsory, universal and contributory pension plans set up by the government.

For all those reasons, as a member of the Ralliement Creditistes, I raise a few objections at this time. We hope to have the opportunity to explain them more fully when the bill is presented to the committee. That is why we will not delay the adoption of the resolution, but we will propose amendments and make suggestions which, I hope, will be seriously considered by the minister.

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Mr. Benson: Mr. Chairman, although the Minister of National Health and Welfare indicated that I would make a statement on the financial aspects of this resolution, I am quite willing to defer this statement until second reading of the bill, if it is the desire of the committee to proceed with the question, and first reading, in order to see the bill at this time.