

*Canada Pension Plan*

the civil service superannuation program and the Canada pension plan, or there may be adjustment. Any one of these three approaches may be taken depending upon the people who are involved.

**Mr. More:** When the minister refers to integration, that only applies to government plans, does it not? Private plans cannot integrate; they must adjust?

**Miss LaMarsh:** No, that is not correct. There are a number of private schemes that have already integrated payments that are made under the old age security system. It is possible, in fact it is probable, that in many cases there will be eventual integration. Integration will not mean that there will be one cheque from one place, because obviously if you have a partly private plan and a partly federal government plan, the person will be given a cheque from the private plan as well as the government plan. The way in which the adjustment will be made will be to integrate for benefits which will come from having both plans.

**Mr. More:** The other point I wish to raise concerns the actuarial soundness of the plan. Last night the minister said, with some heat, that the plan is actuarially sound. This may well be true. The point that has been raised is that the plan is actuarially sound to meet the commitments it makes, but it is not actuarially sound on the basis of the payments it makes to some of the people concerned. The question has been raised that we have a type of plan now that just gives benefits for payments, whereas this government plan does give exceptional benefits to one large group. This is the windfall to which reference has been made. How will you answer the problem of the enormous benefits received by one group when you try to adjust the two plans?

**Miss LaMarsh:** It is generally understood by people that actuarially sound means the arithmetic is correct, that there is enough money arising from contributions to pay the benefits. The committee, of course, has seen the actuarial reports which demonstrate this fact. However, the view my hon. friend advances that a person does not get a dollar for dollar return is quite true. This has never been hidden, because this is a social insurance scheme and like such schemes everywhere else in the world it involves, and must involve, an element of cross subsidy.

**Mr. Woolliams:** I should like to ask one question of the minister, and I trust she is

in a better humour than she was last evening, since she has had a good sleep. I should like to follow up the point I was pursuing last evening. I refer the minister to the brief from the international railway brotherhoods, which is addressed to the Prime Minister and the members of the cabinet. I should like to read particularly from page 12.

**The Chairman:** Order, please. I should like to interrupt the hon. member for a moment; would he kindly resume his seat. I just want to bring to the attention of the hon. member the fact that the remarks he is going to make now should relate to the regulations covered by the clause we have before us. I have the impression that during the course of the discussion last night on a number of occasions we did go beyond the limits of clause 91. I am not trying to prejudge the question the hon. member is going to put, but it appeared to be of a general nature. I hope it is not, and I trust it will be within the confines of clause 91.

**Mr. Woolliams:** I do not want to delay the committee by getting into a discussion with the Chair, because I would be the first one to want to carry out the terms of reference laid down by the Chair. As I understand this clause, certain regulations will be made in reference to certain pensions that may or may not fit into the scheme, and that is why I should like to get the attitude of the government in this regard. I think this is the time to do it. It might be left to clause 1, but I will not take too much time and I think it is relevant.

I see the minister has the same document in her hand now as I have. I should like to quote paragraph 13:

For the Canada pension plan to have the same relative effect on Canadian railway workers as on other Canadian workers, the plan must be supplemental to the existing railway pension plans, and this is what is desired by the workers we represent.

We are disturbed at the attitude of the government of washing its hands of responsibility in the matter of private pension plans, and on behalf of the workers we represent we earnestly request this committee to recommend that a provision be added to the Canada pension plan act which would prevent the integration of pension plans on railways under the jurisdiction of the federal government with the Canada pension plan without the approval of the employees participating in such plans.

We submit that the government will incur responsibility for protecting the rights of employees presently participating in pension plans when its plan becomes operative because it will be introducing a compulsory pension plan into arrangements which have been reasonably satisfactory to the employees but over which those