

*Canada Pension Plan*

**Mr. Monteith:** I appreciate that situation, but I am trying to find out whether it is accurate to suggest that once a province opts out of this plan an amendment would be required in order to permit that province, or any province which opted out, to again participate in this plan. I understand there is no provision in the plan as it is now drafted which would permit a province to opt out and then, at some future time, participate again?

**Mr. Benson:** That is correct.

**The Chairman:** Shall the clause carry?

**Mr. Stenson:** Mr. Chairman, the member for Perth has just suggested that a province could opt out of the Canada pension plan and adopt a similar plan of its own, though a plan which did not coincide in every respect with the Canada pension plan, is that correct?

**Mr. Benson:** Yes. It is the right of provincial governments, under the British North America Act, to follow that procedure. It is my belief that any province which decides at this time to create its own pension plan would create a plan which would be very much in line with the plan now proposed and which we are now considering.

Perhaps I should explain why we cannot make provisions within this act to cover the situation in which a province opts out and then applies for re-entry. No one can forecast with any accuracy what the circumstances will be at the time an application is made by an opted out province for re-entry. In any event, the parliament of Canada at such a time would have to decide, after consultation with the provincial authorities, the conditions under which the provinces could again participate in this plan.

**Mr. Stenson:** Do I understand correctly then that this is not a universal plan which is binding upon the various provinces, and that following the adoption of this plan there might well be varying pension benefits in different provinces?

**Mr. Benson:** Mr. Chairman, if a province decided to move out of the Canada pension plan, a series of agreements between the federal and provincial governments would be required in order that the plans could be integrated, putting the benefits on a comparable basis. The plans would have to be designed along similar lines.

[Translation]

**Mr. Caouette:** Mr. Chairman, I understand the minister's explanations perfectly, but

what I want to know is this: If at any time a province should decide—as Quebec has done now—not to take part in the federal pension plan and if, after the plan is approved in Ottawa, one or more provinces should decide to withdraw from the plan, what will the federal authorities have to say then concerning the administration of the provincial plans, even if the minister tells us that the provinces will submit to the legal requirements of the federal government?

I do not believe that, in those circumstances, the province of Quebec, for instance, would willingly submit to the requirements of the federal government, because that province has explained quite clearly that it will have its own plan, and other provinces are already saying the same thing.

Then, why are we discussing clause 114 to the effect that, in the event a province should withdraw from the pension plan, the federal government will respect its wish, but will require the province to submit to the general requirements of the federal pension plan?

I do not think that at this time the federal government has the power necessary to tell any province to comply with the requirements of the federal government. Of what use would the pension plan be then? That is what I would like the minister to explain now.

[Text]

**Miss LaMarsh:** Mr. Chairman, section 114, as my colleague has explained, gives the particulars of what will happen if a province which is in the Canada pension plan subsequently decides to go out. These are the financial arrangements which will have to be made. However, section 3 which was passed last week contains the provisions under which any province may decide not to become a part of the Canada pension plan, as Quebec alone has indicated at this time.

[Translation]

**Mr. Caouette:** Mr. Chairman, can the minister assure us that the province of Quebec is the only one that had any objection or made representations to the federal government in order to set up a provincial pension plan of its own? Have other provinces made similar representations to the minister in order to secure the fullest degree of autonomy in the administration of a national pension plan?

[Text]

**Miss LaMarsh:** Under section 3 any province of Canada has the right to wait until 30 days after this act is declared to be operative