

*Canada Pension Plan*

sent out. But take the position of Ontario and Quebec. Ontario is in the plan and Quebec is not. There are arrangements in this legislation which will be agreed to by all concerned so that a man who works ten years in Ontario and moves into Quebec where he works, say, for 20 years will get one cheque from Quebec—and the Canada pension plan will transfer funds to Quebec to pay its share.

**Mr. Langlois:** I understand that. I was wondering about what might happen in the case of a plan which was not comparable to the federal scheme. Would I receive the benefits due to five years contributions to the federal plan if I had been covered by the federal plan for that length of time?

**Mr. Benson:** Yes.

**Mr. Simpson:** We have been speaking of hypothetical cases—for instance, the case of a province which opted out of this scheme and did not offer a comparable scheme to its people. It would be political suicide for any government to change that scheme radically, later on.

**Mr. Benson:** I said there were certain rights vested in people on which we would insist if a province were to move out of the Canada pension plan, and that it would be political suicide for any provincial government at some point in the future to take those rights away from the people.

**Mr. Simpson:** That is the idea behind my remarks. I am not criticizing the minister for saying that, because I feel that same way about it. But suppose a province after opting out and offering a comparable plan were to decide to abolish the pension scheme. Are there any provisions in this legislation to enable Canadian citizens in such a province to continue as contributors to the federal plan?

**Mr. Benson:** This is, of course, a highly hypothetical situation. But if a province had no plan, if they wiped out the pension plan in the province, then the Canada pension plan would come back in; the province would not be occupying the field.

**Mr. Simpson:** Only by agreement with the province.

**Mr. Benson:** No, because then the province would not be occupying the pension field. Therefore the Canada pension plan would come back into effect.

**Mr. Simpson:** If the federal government can legislate a Canada pension plan for these

[Mr. Benson.]

people without provincial agreement, why can it not force the provincial governments to have portability as a feature of their plans?

**Mr. Benson:** I am not sure I understand the hon. member's argument. He is talking, now, about forcing the provinces to have portability. We are enacting a plan which will initially be the same across the whole country. Presumably it will continue this way. But a provincial government has the right to move out in the future. This is its constitutional right. If a province moves out we can insist on certain conditions, and these are written into the bill. After it has moved out we cannot control the actions of the province in the pension field. As I have pointed out, it would be difficult in practice for a provincial government to interfere with pension rights. But if they did decide to change the plan and not to make an agreement with the federal government for reimbursement, or to take vesting rights away from the people involved, the federal government would have no jurisdiction because the province would be occupying the field. But if the province were to abandon its plan entirely, it would no longer be in the pensions field and we could go back in.

**Mr. Simpson:** Suppose a provincial government stayed in the pension field but changed its plan radically. Could the citizens of that province exercise a choice, and decide whether to enter the provincial plan or the federal plan?

**Mr. Benson:** No, they must belong to the provincial plan.

**Mr. Stenson:** I understood the minister to say a province could re-enter this scheme. I thought a province could not come back once it had decided to leave.

**Mr. Benson:** I did say earlier in the day that there is no provision in this legislation for a province which had left the scheme to re-enter automatically. A province which moved out of the plan and wished to re-enter it would, I presume, make application and that application would have to be considered on the basis of the assets, liabilities and conditions of the provincial fund at that point. The government of Canada would then have to bring in the necessary amending legislation to take care of all these circumstances.

**Mr. Stenson:** So there is a possibility that Quebec could come in at some time.