

Income Tax Act

active employment for a reason beyond his control. The granting of such leave is not confined to any specific age or service requirements but subject to the leave being for an acceptable reason, an older employee whose age and service reaches a total of 80 or more is automatically granted this privilege and any older employee whose service is of the order of 20 years is also generally given favourable consideration.

Leave does not extend beyond the employee's 65th birthday, and in any case leave is not granted if the reason for discontinuance of employment is discharge for cause or voluntary severing of employment.

Yours truly,
E. Benson.

Mr. Benson is one of the senior officials of the company. It was fortunate that the company recognized the concern of its employees in this matter and—I have discussed this at length with the hon. member for Kootenay East who is just as concerned about this matter as I and who has a closer relationship to the actual conditions under which the men are working as he has worked as a miner—the terms of the blue book part 10(B) are largely carried out by the leave of absence provisions included in the letter from the company to the union.

However, while the employees are glad to have this further measure of security they are still waiting for the government's decision after this very lengthy consideration of this issue because they believe that under present circumstances vesting rights should be assured by law. The group of which I am a member have for years recognized the increasing necessity for a national industrial pensions policy and plan and have urged the government repeatedly to take steps to implement such a scheme. As the years go by the government and the public and the employees concerned have an increasing stake in these pension plans because of the great investment of public funds by virtue of income tax exemptions.

The letter of the Consolidated Mining and Smelting Company is a concession by the company in the matter, and other companies I am told are beginning to recognize that the present piecemeal industrial pension arrangements in Canada are not adequate. I should like to read from an article which appeared in *Motor Carrier* of June 1956 dealing with industrial pensions in Canada and reading as follows:

"Mobile Pensions" Scheme Creeps Closer to Canada
"Mobile pensions" a scheme whereby a worker whose employer sets aside pension money for him can carry his accumulated pension credits from job to job, got a significant boost this month when 1,500 employees of Libby, McNeill and Libby went back to work at five west coast (U.S.) canneries after a two-week strike. They voted approval of an agreement between the big canning company

[Mr. Herridge.]

and a Teamster affiliate, the Western Council of Cannery Workers, which provides a transferable form of retirement pay.

Retirement counsellors claim the notion of mobile pension benefits is "the coming thing". (Like unemployment insurance reserves, they're paid into a worker's account and if the worker moves to a new job, his built-up reserves move with him.)

I mention that to indicate the increasing interest of industrial workers in some mobility of pension plans and some development of law in relation to public investment in these schemes. I know that the officials of the Departments of Finance and National Revenue have been making a study of pension plans, in so far as the Income Tax Act is concerned, for about 18 months. Both employers and unions have made representations to the ministers and to officials. But, in my opinion and in the opinion of the members of this group, under present conditions this is a totally inadequate approach to this important and growing problem.

We believe that, in view of the public investment in industrial pension plans, it is the responsibility of the government to recognize the fact that the time is ripe for the development of a national industrial pension policy and plan so that in the future it will be part of our whole, shall we say, pension scheme structure in this country.

I am just going to make one brief suggestion before concluding. Because of the present conditions and our understanding of them, we suggest that a special parliamentary committee should be established at the next session to study this question, to hear evidence from employers and employees' representatives and others concerned, and to make recommendations for the bringing into effect of a national industrial pension scheme that will provide the security that the workers of this country are entitled to in this era of expanding production and increasing wealth.

I have hurried through what I have to say as quickly as possible in order to detain the house no longer than is necessary, but this is a much larger problem than rendering a verdict on a book of rules published by the Department of National Revenue. I think we have to face this thing. I am sure that if the government were able to get the employers and the unions of this country to get together and make recommendations that would make it possible for this house to establish a national industrial pension plan, it would not only benefit the employees concerned but would benefit the people as a whole, because we would then have a rationalized and established system of retirement allowances that would place on individuals some responsibility for looking after their future.