

not have the same opportunity as the lower chamber to discuss this matter. It believes in the same thing. It leaves an opportunity, of course, to pull away should they desire to do so.

Hon. Mr. McCutcheon: You talk about having everyone covered and a certain minimum standard. What is the objection?

Miss LaMarsh: I am informed that contracting out does not apply to the supplementary benefits but only to the retirement portion.

Hon. Mr. McCutcheon: That is true.

Mr. Aiken: I would like to ask a question in reference to jurisdiction.

It has been assumed in the statements you have made that the federal government does not have jurisdiction over private plans. I submit it would be most undesirable, but is it not a fact that the constitutional amendment which was put in this year gives the federal government if it so desires complete jurisdiction over all ranges of retirement plans?

I am following up Mr. Scott's question, I know it would not be desirable to move into this field; I am not suggesting it would. However, does the federal government not have jurisdiction if they want to have it?

Miss LaMarsh: I suggest that though we may be graduates of the same law school we differ on this point. Jurisdiction given previously to the provincial government did not move into the private field at all. The provincial government did not hitherto have any jurisdiction over private contractual arrangements; this was given to the federal government only by the constitutional amendment.

Mr. Aiken: Is it any different from the hospital plan?

Miss LaMarsh: The federal government did not move into private contractual relationships.

Mr. Aiken: Then I take it your answer to my question is no, the federal government did not acquire any jurisdiction over private plans.

Miss LaMarsh: Yes.

The Chairman (*Hon. Mrs. Fergusson*): Are there any further questions?

Hon. Mr. McCutcheon: Yesterday afternoon I asked the minister some questions with regard to what she felt might be the result of opting out by a number of provinces, rather than by one province.

In this connection we must bear in mind that the bill gives each and every province the right to opt out. The bill does not say that this will come into effect when six provinces, having two thirds of the population of Canada or something like that, agree to it. Every province can step out.

As I recall, the minister put the case of four or five provinces opting out. In this case you would be left with four. She indicated that would present some problems if there were a change in the scale of benefits or a change in the contributions, and that it would depend on the provinces.

The minister has said that the net funds available after the payment of expenses, or after a reasonable reserve—I think she said three months—would be made available to the provinces in proportion to their contributions.

On the face of it, that sounds very reasonable. The province that opts out, however, will have its total net funds, the entire fund, available for investment. That is the sum of the contributions plus interest, less expenses and less payout. Why should the other provinces not receive the investment funds on the same basis?

I think it is obvious from what the minister said yesterday that a distribution of the funds, making available the funds on the basis of the contribution,