

Canada Pension Plan

providing for automatic adjustments was suspended in 1957 because of the extreme inflation there, but its provisions are included in the analysis.

So that except for Israel, most European countries adopted this type of legislation several decades ago and have witnessed no great misfortune such as that suggested by the hon. member for Edmonton West.

Mr. Lambert: Mr. Chairman, in reply to that statement let me say that the countries of western Europe at the present time are experiencing a very severe inflationary problem. I do not attribute that problem entirely to this situation, but certainly this may be one of the causes. I do not suggest for one moment that this will necessarily be the only cause of inflation in this country, but nothing the hon. member has said has convinced me that I am wrong in my suggestion that there will be inflationary pressure as a result of the inclusion of this feature in this type of a plan. This is a national old age contributory pension plan which applies to not only elderly people but to others. Contributions are to be made on that basis and I suggest the hon. member takes rather too much upon himself in glossing over the remarks of individuals who have pointed out a warning. I have warned the government in this regard and I am not alone. Many good authorities have written in financial newspapers and magazines regarding the same point, and their opinions are as legitimate and accurate as any selected opinion the hon. member may pick out.

Clause agreed to.

Clause 21 agreed to.

On clause 22—*Amount to be deducted and remitted by employer.*

Mr. Monteith: Mr. Chairman, I am not sure that this is the time I should make the few remarks I wish to make, but I will preface them by stating that it is not politically popular to speak on behalf or in defence of employers at this time. There is an aspect of this clause which I feel should be brought to the general attention of the people of Canada. While contributions are to be paid by both employer and employee, if an employee occupies more than one position during a year—six months with one firm and six months with another—he will have paid his full annual deduction twice. If the employee occupies a position for which he is paid a

high salary he is apt to have his full deductions made in the first three months, or perhaps even in the first month. If an employee of that type worked for two or three different firms in a period of a year, making his full contribution through pay-roll deduction by each of the three employers, he is entitled by the provisions of this clause to a refund. However, there is no provision which would allow an employer who has made full contributions on behalf of three individuals occupying one position in one year to apply for a refund.

As I have stated, I realize it is not politically popular at this time to plead an employer's case, but I think these facts should be made known to the public. This attitude was adopted by the government, as explained to the committee, at least partially because this is what is done in the United States. I am not complaining about this situation, nor do we intend to amend the clause or vote against it, but I feel the public should understand the situation. I understand that government actuaries have accepted the fact that there will be overpayments by employers and that these overpayments are not subject to a refund.

Mr. Aiken: Mr. Chairman, I do wish to make a few remarks in connection with administration costs. Although there is very little time left at our disposal this evening I should like to take this opportunity to present certain facts to the committee.

Mr. McIlraith: Mr. Chairman, in view of the hon. member's remarks, perhaps hon. members of this committee will agree to sit for a few minutes longer. We are making very good progress.

Mr. Monteith: Mr. Chairman, I appreciate the request made by the house leader who was kind enough to accept our proposal which has been, and I am sure will continue to be, a means of expediting the passage of this bill, but really it has been a long day and tomorrow our sitting day commences very early.

The Chairman: Shall I call it ten o'clock?

Some hon. Members: Agreed.

Progress reported.

At ten o'clock the house adjourned, without question put, pursuant to standing order.