

Canada Pension Plan

Mr. Benson: Mr. Chairman, clause 6 deals with the exemptions in respect of contributions made by employers, and deductions from employees, and if the particular circumstances the hon. member has in mind do not fall within the terms of the exemptions as covered by clause 6, subclause 2 (a), with which we dealt some days ago, then the employer must make the deductions and contributions required.

Mr. Watson (Assiniboia): Mr. Chairman, I should like the minister to comment in respect of one other set of circumstances to which I should like to draw his attention. I am aware of several cases where an employee of a small farmer has left the job, leaving all his clothes and belongings, including unemployment insurance cards and other like things. These are irresponsible individuals, and I can show the minister many suitcases and contents left with employers by irresponsible employees of this type. In the event an individual who has left his insurance number in a suitcase with another employer comes to me for employment, and I ask him for his number and am told that he has lost his insurance card, and I apply for a new number, will the department have some means of checking on these duplications? I understand the minister stated there are 50,000 Smiths of which 10,000 have the initial "J", which would indicate that this will present some difficulty. What method will be used to check on employers and employees in this respect?

Mr. Benson: Mr. Chairman, the system to be adopted will be such that if an individual loses his card and writes in telling us his name and his address at the time he applied for his card we will be able to indicate what his number is.

Mr. Watson (Assiniboia): Mr. Chairman, I suggest that this type of individual would not be interested in writing in or he would not walk away and leave all these possessions behind him.

Mr. Skoreyko: Mr. Chairman, I only intend to ask one or two questions and I shall be as brief as possible.

We have now established that it will be compulsory for a businessman with a small operation to apply for a social insurance number and participate in the Canada pension plan. I have other questions dealing with punishment to be handed out in the event of fraudulent application for social insurance numbers, and I understand there is provision

in this regard, but will the minister indicate what penalties will be imposed in respect of a refusal to participate in this scheme? If there is a penalty for refusing to apply for social insurance numbers under the provisions of the Canada pension plan, what will be the penalty for refusing to apply for or partake in the Canada pension plan?

I should also like to ask the minister what happens in the case of a contractor who comes into Canada for a period of two, three or four weeks, hires several employees for that period of time and then leaves the country? Perhaps I could use the case of Red Adair who comes to Canada to fight fires and returns to the United States after a period of two or three weeks. What method of recovery does the government intend to use in respect of losses incurred by people employed by individuals who operate in this capacity in Canada?

One other question of some considerable interest comes to mind regarding exchange students coming to Canada to work during summer periods for one, two or three months. What responsibility has the employer in respect of contributions on behalf of these students, keeping in mind that the employer is aware that the students will leave his employment within a few months?

Mr. Benson: Mr. Chairman, I can deal with some of the matters raised by my hon. friend. First of all, I hope we have established to his satisfaction that a self-employed person must be covered under the act, and therefore must have a number. One penalty he suffers as a result of non-compliance is the inability to participate in the plan, or to reap any benefits of the plan. He cannot make contributions if he does not have a number.

Furthermore, in respect of the statutory obligation under this act to make contributions, the Department of National Revenue has the right to impose the penalties which are defined in an earlier clause, and to take the ordinary steps to collect these contributions from an individual in the same manner they would collect income tax.

Regarding the third question in respect of a short term contractor coming into Canada, if the employed persons were not deemed to be exempted employees under clause 6 of the bill, he would be required to make deductions from them, and make contributions on their behalf. The status of an employer as to residence when coming into Canada, affects his position in the country. If such an individual