June 20, 1979

• Mr. Robert Howie, Minister of State (Transport);

• Mr. Steven Paproski, Minister of State for Fitness and Amateur Sport and Multiculturalism;

Mr. Ronald Huntington, Minister of State for Small Business and Industry;
Mr. Michael Wilson, Minister of State for International Trade.

Ontario heads representation in the Cabinet with 12 ministers, followed by the Atlantic Region with five (two from Newfoundland), the Western provinces with eight ministers and Quebec with four. For the first time the Cabinet includes a minister representing the North, Mr. Erik Nielsen from the Yukon.

The Prime Minister said further Cabinet appointments might be announced prior to the opening of Parliament. In particular, discussions are continuing concerning the appointment of additional representatives from Quebec.

Reorganizing the ministry

In reorganizing the ministry, Mr. Clark stated that the five policy sub-committees would constitute the main policy-making framework of his Government. The "inner cabinet" committee, chaired by the Prime Minister, will be responsible for establishing the over-all priorities of the Government and for major policy decisions flowing from those priorities. Its members, in addition to the Prime Minister, are:

• Mr. Jacques Flynn, Leader of the Government in the Senate and Minister of Justice and Attorney General;

• Mr. Walter Baker, President of the Queen's Privy Council for Canada and Minister of National Revenue;

. Miss Flora MacDonald, Secretary of State for External Affairs;

Mr. John Crosbie, Minister of Finance;
Mr. David MacDonald, Secretary of State and Minister of Communications;
Mr. Roch LaSalle, Minister of Supply

and Services;

. Mr. William Jarvis, Minister of State for Federal-Provincial Relations;

• Mr. Sinclair Stevens, President of the Treasury Board;

Mr. Ray Hnatyshyn, Minister of Energy, Mines and Resources and Minister of State for Science and Technology;
Mr. Robert R. de Cotret, Minister of

Economic Development and Trade. The five policy sub-committees are:

Economic Development Committee, chaired by Robert R. de Cotret;

Social and Native Affairs Committee,

chaired by David MacDonald;

External Affairs and Defence Committee, chaired by Flora MacDonald;

Federal-Provincial Relations Committee, chaired by William Jarvis;

Economy in Government Committee, chaired by Sinclair Stevens.

Miss MacDonald said she would attend the Tokyo economic summit of Western nations and Japan later this month and likely would accompany the Prime Minister to Lusaka, Zambia, for the Commonwealth heads of government meeting in August.

The Prime Minister drew particular attention to the Economy in Government Committee, which will focus on initiatives to achieve improved economy and effectiveness in the operations of government.

Among the special committees of cabinet which will continue are the Treasury Board, the Special Committee of Council, the Committee on Legislation and House Planning, and the Committee on Security and Intelligence.

Responsibility for the Advisory Council on the Status of Women and the Office of the Co-ordinator, Status of Women, has been assigned to the Secretary of State.

Not only is the new Cabinet headed by the youngest Prime Minister in the history of Canada, but it will be served by the youngest minister, 29-year-old Mr. Perrin Beatty, the new Minister of State (Treasury Board). In fact, the new Cabinet itself is quite a young team, with 17 of its members less than 51 years of age.

Ouebec representation

At present, four of the new ministers represent Quebec: the two ministers elected on May 22, Mr. Roch Lasalle and Mr. Heward Grafftey, and two senators, Mr. Jacques Flynn and Mr. Martial Asselin. Mr. Asselin stated after being sworn in that the Prime Minister would insist that greater emphasis be given to *francophone* affairs within External Affairs and that he would adopt the idea of a *francophone* Commonwealth suggested by the previous government.

At a press conference given June 5, Mr. Clark announced the appointment of Mr. Marcel Massé to the post of Clerk of the Privy Council and Cabinet Secretary. Mr. Massé succeeds Mr. Michael Pitfield.

A Quebec journalist, Mr. André Payette, takes over as Senior Adviser on Communications in the Prime Minister's Office.

Canada Pension Plan

Details of how the Canada Pension works are explained in *Canadian Scene*, dated May 25.

The plan, which started in January 1966, is a contributory social insurance program designed to help people who work in Canada provide a basic level of protection against the contingencies of retirement, disability and death. It covers nearly all types of employment in Canada on a compulsory basis. To have coverage for any particular year, however, one must be between the ages of 18 and 70 and have earnings above a minimum level called the Basic Exemption. A limited number of types of employment are not covered, such as employment by spouse or employment as an exchange teacher from another country.

One contributes on employment income only, which is salaries, wages or self-employment earnings. Contributions are required on only that part of earnings between the Basic Exemption and an earning's ceiling, called the Year's Maximum Pensionable Earnings. One cannot contribute on earnings in excess of the Year's Maximum Pensionable Earnings. The rate of contribution for an employee is 1.8 per cent with an equal contribution from the employer. A self-employed person contributes at the rate of 3.6 per cent.

Two methods are used to protect the purchasing power of Canada Pension Plan benefits. When a benefit first comes into pay, the average of the current and two previous Canada Pension Plan years' Maximum Pensionable Earnings is used to escalate the benefit. Each year thereafter, a Canada Pension Plan index, based on the consumer price index, is used to escalate the benefit already in pay. Consequently, the benefits listed here are the maximum benefits that apply to a pension where the first payment becomes effective in 1979. For those receiving the maximum benefit in 1979, where the first effective pay month began prior to 1979, the maximum amount would be less than the figures quoted.

CPP benefits

Retirement pension: one must have contributed and must be 65 years of age, but not necessarily retired. The amount of pension is 25 per cent of the current value of average monthly pensionable earnings. The maximum retirement pen-