

the national, will the national make any concessions? Will there be any change in the arrangement so far as this is concerned, or do the private people make all the concessions?

Dr. WILLARD: Mr. Chairman, this is the basic plan, and where the private plans want to have integration they will have to work out on their own individual basis how they will integrate.

Senator ROEBUCK: When a basis has been worked out, will the department be able to give to the private managers the legal right to enforce whatever arrangement they come to?

Dr. WILLARD: The federal Government does not have the authority to become involved in what is in effect an employer-employee relationship. I might say, however, that private plans are in many cases being reviewed at this time for another reason. In the case of the Province of Ontario, they have legislation which concerns the supervision of private pension plans both with respect to portability and solvency, and discussions have been going on with the other provinces who are concerned about similar legislation. The pension authority, in this case being the province, is, of course, going to have to work with the people who cover private pension plans so that there will be a great deal of discussion back and forth on the question of adequacy of the private pension plans with respect to the standards developed in Ontario.

Senator ROEBUCK: Do you think that the Ontario act will give the authority, with their co-operation, to change the plans, that is the private plans, and force them upon those who might object?

Senator CROLL: There is no such act. The act has not been passed yet. He is wrong.

Senator ROEBUCK: Is that what you are going to try to work out?

Dr. WILLARD: In the case of the Ontario legislation, they set up, in effect, certain minimum standards with regard to the locking in of employee contributions, vesting of the employer contributions and solvency of the private pension fund. As I understand it the people that have a private pension plan will have to discuss that plan with the provincial authorities to see that it meets these basic standards.

Senator McCUTCHEON: But it has nothing to do with integration into the Canada Pension Plan.

Senator CROLL: Going back to the question I asked earlier—when Senator McCutcheon was letting loose on the podium this afternoon and after he was talking about the vast sums of money that were going to be handed over to the provinces, and he quoted the figures which were very nearly correct for him,—if I recall correctly there was some sum of money, and somehow or other the figure of 15 per cent runs through my mind, mentioned that the federal Government retained.

Dr. WILLARD: Mr. Chairman, the federal Government retains what would be the equivalent to the payment of benefits for three months. In addition to that, if a province does not decide to take up its share of the reserves the federal Government can invest that portion in federal securities.

Senator CROLL: If the federal Government decides what?

Dr. WILLARD: If a provincial Government does not take up its share of the reserves then the federal Government can invest these amounts in federal securities.

The ACTING CHAIRMAN: Senator Macdonald, you have been waiting for some time.

Senator MACDONALD (*Cape Breton*): Thank you, Mr. Chairman. My question is in regard to a person who is almost self-employed—he is partly self-