

*Canada Pension Plan*

taxes he could do so. They are contributions which must be made, compulsory contributions under the conditions which will be laid down in this bill.

Perhaps I can deal with one or two other questions which the hon. member raised. One of them concerns contributions or loans to the Canada pension plan account from the consolidated revenue fund. The reason provision was not made for this was that on the basis of the forecasts we have covering the next 20 years it was not felt to be necessary. In addition, it was felt that should the Canadian government at some date in the future wish to lend money to the Canada pension fund it could do so on the basis of an amendment to the present legislation, and this could be effected without the necessity of consulting the provinces. However, I do not think that it would be a good idea, basically, because it might encourage some parliament to postpone calling for a necessary increase in the rates by lending funds to the plan.

**Mr. Lambert:** I wish to return briefly to my question concerning the nature of the contributions. In fact all contributions must be paid to the consolidated revenue fund. However, every penny is earmarked for the Canada pension fund, and not one penny would be available for the general purpose of government. There is no commingling with general government revenues. This is important to establish; there should be no commingling. These funds are definitely earmarked. Otherwise, if there is commingling, I suggest there might be the opportunity of considering that they be acknowledged as part of the general revenues of the government. This is why I am, perhaps, being very insistent on this point, so there is a clear legal definition and earmarking of funds.

**Mr. Benson:** There is not an earmarking of funds, dollars as such. The money comes in, is deposited in the consolidated revenue fund and it is credited to the Canada pension plan account. The cash is not segregated at all—I did discuss this a few minutes ago—but is credited in the records of the government to the Canada pension plan account. That is, all moneys coming in are credited. Moneys paid out are paid out of the general cash funds of the government, the single consolidated revenue account, which is the bank account of the government, but they are charged against the Canada pension plan account. So the cash is not segregated.

As I explained earlier, one of the reasons for not segregating the cash as such is that

when it goes into the consolidated revenue fund it becomes subject to all the controls and audits under the Financial Administration Act without our having to write an equivalent provision into this bill. I might indicate that this is exactly the same as with—

**Mr. Lambert:** Old age security.

**Mr. Benson:** Yes, old age security.

**Mr. Lambert:** But old age security does not come under ways and means. The levy that is made in respect of old age security is not part of the ways and means.

**Mr. Benson:** Yes, I am informed that it is.

**Mr. Lambert:** All right. Then is it the intention, therefore, that the contributions under the Canada pension plan shall be part of the ways and means?

**Mr. Benson:** If by this my hon. friend means will it be reported as part of government revenue in the annual budget of the government, for example, this will not be the case. My hon. friend is trying to get around to an argument—perhaps I should not be imputing motives to him—in connection with a ruling which was made the other night. In this connection I would simply state that whether or not this is a tax or affects ways and means, it is a money bill. If the hon. member would refer to citation 243 of Beaudesne's fourth he will see the implications of its being a money bill as related to the ruling made the other night. But in no case am I, as a layman, going to argue with my hon. friend, or with you, Mr. Chairman, with respect to the rulings you have already made.

**Mr. Lambert:** I am sorry the minister has tried to impute motives here, because there certainly were none. I wanted clarification because there is confusion. The minister has been at pains all along, as have other government officials, to state that these are contributions; yet they are treated as taxes under ways and means. I want it clearly understood. Are they contributions, and as such, contributions and not taxes?

**Mr. Benson:** I would simply say they are contributions. They are defined in the bill as contributions.

**Mr. Knowles:** Mr. Chairman, are not the contributions and the arrangements with respect to this legislation on all fours with the provisions in the Members of Parliament Retiring Allowances Act? We are required to make contributions; call it a tax if you will.