

Miss LAMARSH: I said we have no jurisdiction, which is quite a different matter from responsibility. You want the federal government to intercede between the employer and the employee in their own contractual relationship. As you know, in many ways these private pension plan have been part of a wage packet.

Mr. SCOTT: Has any consideration been given to trying to achieve such a possibility?

Miss LAMARSH: There are some 7,000 different plans.

Hon. Mr. McCUTCHEON: Integration is possible if you have a flat rate scheme, if you have fixed dollars; in other words, if your payments have been made under the flat rate scheme wherein there is some certainty of what the pay out and the pay in is going to be in the future, the integration can be accomplished, although with strong unions it might be very, very difficult.

Personally, I am certain that even under those circumstances there would be a substantial additional burden placed on employers which can do only one or two things; that is, narrow their profit margin, or force them to increase prices and thereby make themselves less competitive both in the domestic market and in the export market. However, here you have a scheme where, when wages go up and the cost of living goes up, you bring inflationary escalators into the scheme and you never know what you are going to pay under the scheme 10, 12 or 15 years from now. Under those circumstances, integration is impossible, because the flat rate pension was applied to private schemes, and the government takes the bland attitude that it did nothing.

Your comparison, Miss LaMarsh, with the introduction of the hospitalization plan and its integration with private plans is not an appropriate comparison at all. All these hospital costs are going to be paid for, then you simply subtract that from your other coverage, and the two together give the same coverage that many private individuals had before. That is not the situation under this scheme.

The CHAIRMAN (*Hon. Mrs. Fergusson*): The speaker who was to be next on my list is Mr. Munro.

Miss LAMARSH: May I answer the question? I have read your views, Senator. I do not say that integration is impossible. I am sorry you were not here when I was explaining integration in general terms in respect of the superannuation act. This has been worked out with great care. Mr. Clark has been working on the aspect of integration of the plans. It is far from impossible. I do not say that it is easy to understand, because I do not understand Mr. Clark; I only understand the result, but it is easy for him. He may leave the government and go out as a private consultant and make a fortune; I would hope not, and expect not. However, with great respect, I cannot accept what you say about integration. A great many employers are quite content that integration will be fairly simple.

Hon. Mr. McCUTCHEON: They are very naive.

Mr. MUNRO: The minister really has answered my question. I was going to ask her whether she felt when Mr. Clark and the other officials have outlined to the whole committee the terms of integration of the Canada pension plan with the civil service plan, that in effect that formula of integration would in itself indicate some leadership in the integration field. This is in relation to Mr. Scott calling for some leadership by this government. I would think the work which has been done in this regard would be an indicator, at least, of the formula which could be followed elsewhere, which in effect would be supplying that leadership.

Miss LAMARSH: I might also say that Mr. Clark will be able to describe this in more detail than I can. He made a trip for the government through the west