

This graduated benefit will supplement the universal old-age security pension which is paid out of tax revenues. This government-operated pension programme comprises the Canada Pension Plan, which operates throughout the country except in Quebec, and the Quebec Pension Plan, operated by the government of Quebec. The two plans are similar. Both have disability and survivor benefits. All employees who earn more than \$600 a year and all self-employed individuals whose annual income exceeds \$800 must contribute to one of the two plans on that part of their earnings between \$600 and \$5,000. The applicable contribution rate for the employee is 1.8 per cent plus another 1.8 per cent payable by the employer; the corresponding rate for the self-employed is 3.6 per cent. The ceiling for pensionable earnings on which contributions are payable under the Canada and Quebec Pension Plans is \$5,000 for 1967. For 1968 and subsequent years to 1976, this ceiling will be adjusted upward in multiples of \$100 by a pension index that will reflect cumulative increases in the cost-of-living (measured by the consumer price index) but by no more than 2 per cent in any year. From 1976 onward, a long-term moving average of wages and salaries, called the earnings index, will be used to adjust the ceiling. The \$600 floor will also rise gradually by multiples of \$100, maintaining a level approximating 12 per cent of the ceiling.

Unemployment Insurance

A national programme of unemployment insurance operates in Canada. It provides relief to those qualified persons who temporarily find themselves without work. It is administered by a federal commission appointed for this purpose and financed by equal contributions from employers and employees, plus a contribution from the Federal Government. The amount paid into the fund by employee and employer is directly proportional to the weekly wages of the employee. The rates of contributions are as follows:

<u>Range of Earnings</u>	<u>Weekly Contributions</u>	
	<u>Employer's</u>	<u>Employee's</u>
less than \$ 9.00	10 cents	10 cents
\$ 9.00 to \$15.00	20 cents	20 cents
\$15.00 to \$21.00	30 cents	30 cents
\$21.00 to \$27.00	38 cents	38 cents
\$27.00 to \$33.00	46 cents	46 cents
\$33.00 to \$39.00	54 cents	54 cents
\$39.00 to \$45.00	60 cents	60 cents
\$45.00 to \$51.00	66 cents	66 cents
\$51.00 to \$57.00	72 cents	72 cents
\$57.00 to \$63.00	78 cents	78 cents
\$63.00 to \$69.00	86 cents	86 cents
\$69.00 and over	94 cents	94 cents

The wage ceiling for insurability is \$5,460 a year.