The Canada and Quebec Pension Plans were introduced at the same time and were closely co-ordinated. However, recent amendments to both plans have produced some differences. For example, since 1973 the QPP paid higher benefits for disabled contributors and for surviving spouses. In January 1975 amendments to the Canada Pension Plan provided for: (1) equal treatment for male and female contributors and beneficiaries; (2) removal of the retirement and earnings test for persons aged 65 and over receiving the retirement pension; (3) fixing the rate at which the Year's Maximum Pensionable Earnings (YMPE) is to advance, i.e. it is to be increased each year by 12.5% until it is equal to Canada's industrial composite wage and salary (for the year 1975 the YMPE equals $7,400); (4) changing the basic exemption level of pensionable earnings from 12% to 10% (but for 1975 this level was set at $700); (5) self-employed members of the labour force who are members of a prescribed religious sect to be exempted from contributions (and benefits) by filing their intentions with the Department of National Revenue; and (6) a series of technical changes designed to improve the administration of the Plan, and further elaborating on the rights and procedures of appeal.

Since the beginning of 1974, CPP benefits are periodically adjusted to reflect cost of living increases. Excess funds collected by the Plan are made available to a province under a formula based on the ratio of contributions from that province to total contributions to the Plan.

An Advisory Committee, representing employers, employees, self-employed persons and the public, regularly reviews the operation of the Plan and reports to the Minister of National Health and Welfare. The Canada Pension Plan Act and Regulations authorize arrangements to be made with other countries to achieve portability of pensions. For further details on the year-to-year changes that have occurred to eligibility, exemptions, contributions and benefits, consult previous editions of the *Canada Year Book*. Summary statistics on the Canada Pension Plan appear in Tables 6.11, 6.12 and 6.13.

6.3.2 Quebec Pension Plan

The Quebec Pension Plan (QPP) was also established in 1965 and is virtually that province's counterpart to the Canada Pension Plan. Changes made to the QPP in 1973 and 1974 regarding contributions and benefits were not made to the CPP until January 1975. Yet, although the two plans are very similar, the following differences still exist: (1) The QPP continues to require that a person between the ages of 65 and 70 be retired from regular employment before a retirement pension is paid. Moreover, post-retirement earnings from part-time employment (beyond a certain limit) may reduce the monthly retirement pension. (2) The QPP's survivors' and disability benefits' flat rate component is $95.56 compared to $37.27 under the CPP (in 1975). (3) Since January 1974, the QPP's orphans' and children's benefits have been fixed at $29 a month whereas those of the CPP are increased annually in accordance with the increases in the cost of living.

In 1973, 155,787 beneficiaries received close to $100 million in benefits. The Quebec and Canada Pension Plans have established administrative arrangements to deal with dual contributors.

6.3.3 Old Age Security and Guaranteed Income Supplement

Under the Old Age Security Act of 1951 and its subsequent amendments, an OAS pension is payable to a person aged 65 and over provided the person has resided in Canada for 10 years immediately preceding the approval of an application for the pension. Any gaps in the 10-year period may be offset if the applicant has been present in Canada prior to that 10-year period after the age of 18 for periods of time equal to three times the length of the gaps. In this case, the applicant must also have resided in Canada for at least one year immediately preceding the month in which his application for pension may have been approved. The pension is also payable to persons aged 65 with 40 years of residence in Canada since age 18, no matter where they may live. A pensioner may absent himself from Canada and continue to receive payments with the following proviso: if he has lived in Canada for 20 years since his 18th birthday, payment outside Canada may continue indefinitely; if not, payment is continued for six months after the month of departure and is then suspended to be resumed only in the month in which he returns to Canada.

A 1966 amendment to the OAS Act provides for the payment of the Guaranteed Income Supplement (GIS). Pensioners with no other income may receive the maximum monthly Supplement; those with other income may receive a partial Supplement. The maximum GIS is