

*Civil Service Superannuation*

future. That \$12,000,000 can be amortised over thirty years and will, as the minister has pointed out, cost the country about \$680,000 a year. The British Local government has a similar proposition, and they amortised, over a period of forty years. It is considered by the minister advisable to amortise this over thirty years, and the payment would be \$680,000.

Sir HENRY DRAYTON: Should we not cover the \$1,445,000 so that the government would be in exactly the same position in regard to this?

Mr. MALCOLM: We may have to do that, but the government has already made a contribution of \$750,000 to put Fund No. 2 on an actuarial basis so that would take care of itself in the transfer.

Sir HENRY DRAYTON: Yes; that is practically one-half. I suppose the amounts are made up in this way: The employee pays 5 per cent and the government pays 5 per cent on the salary plus the amortisation fund of \$680,000?

Mr. MALCOLM: Yes. To the Retirement Fund.

Sir HENRY DRAYTON: I think the minister said that it was \$2,500,000 as the annual contribution.

Mr. MALCOLM: Yes. The total annual salary list is \$50,000,000. I might point out that, in addition to those under the three funds, there are about 7,000 permanent employees contributing to no fund whatever and about 14,000 temporaries some of whom might be considered as permanent. It is pure guess work to estimate how many will come in under the new scheme, but if all that we have lined up come under the scheme, the salary list will be about \$50,000,000, so that the minister's estimate of \$2,500,000 is correct. It is very unlikely that all will come in.

Section agreed to.

On section 2—Definitions.

Sir HENRY DRAYTON: What is the meaning of the change made in paragraph (c) by the insertion of the words "for the purpose of this act?" I suppose that would enlarge it so that permanent temporaries could come in?

Mr. MALCOLM: There is a similar provision in the existing act.

Sir HENRY DRAYTON: I am referring to the words, "for the purposes of this act."

[Mr. Malcolm.]

Mr. CHEVRIER: That is intended to take care of certain employees.

Sir HENRY DRAYTON: It would cover what we might call "permanent temporaries"?

Mr. CHEVRIER: Yes.

Section agreed to.

On Section 4—Contribution.

Sir HENRY DRAYTON: I take it that as soon as the 35 years are up there will be no further charge, and the employee will get the maximum benefit?

Mr. ROBB: Yes.

Section agreed to.

On Section 5—Superannuation to the contributor.

Sir HENRY DRAYTON: What does this section provide?

Mr. MALCOLM: There is no change here.

Mr. HOCKEN: I find that in subsection (b) of this section that provision is made for the payment of a certain amount to the widow of the pensioner after his death. This should be made to apply to any dependent. Suppose a widower has a daughter who has spent all her life looking after him; is she not in the same position as the widow would be?

Mr. MALCOLM: Section 7 takes care of such cases; it provides for the dependents of employees.

Sir HENRY DRAYTON: Is there any change as to children?

Mr. ROBB: For the purposes of subsection three of section seven of the act no account is taken of age if the child is dependent.

Section agreed to.

On Section 6—Amount of allowance, how calculated.

Sir HENRY DRAYTON: What is the effect of the change?

Mr. MALCOLM: The amendment is intended to bring this section into conformity with section 16.

Sir HENRY DRAYTON: The superannuation is a certain percentage of the average salary received by the contributor during the last ten years of his service, multiplied by the number of years of service. Is this not the same basis as the other one?