

Canadian Forces Act

become civil servants within the Department of National Defence. It is purely a limited and internal method of allowing people who have been in one of the services in this department, under circumstances which may obtain at any time, to become civil servants in the same department.

Mr. Knight: I am still not clear on this. The resolution preceding this bill states:

—to provide that persons who have accumulated pensionable service under the Defence Services Pension Act may be able to count that service under the Civil Service Superannuation Act when they retire from the forces to accept civil service appointments in the Department of National Defence;

I am not saying that there is discrimination, but there seems to be some discrepancy in the payments made. Take the case of men discharged from the forces in 1945 and 1946 who afterwards accepted civil service appointments and those who are resigning from the services today and accepting similar appointments; there would seem to be some difference in the contributions made for superannuation purposes. I understand that in the earlier case they paid 12 per cent, whereas today they pay only 6 per cent.

Let us take a case in point. I notice from a press dispatch that two army men have accepted civil service appointments. Brigadier Chesley, a native of Ottawa and a former Montreal businessman, has been named assistant deputy minister of defence, and Brigadier Wrinch, a native of Hazelton, B. C., chief signals officer, has accepted another appointment. I am casting no reflection on these particular men, but I would like to know what their contribution will be under the Civil Service Superannuation Act.

Mr. Campney: This section is limited to people going from the services into the Department of National Defence; it is limited to persons who come under the Defence Services Pension Act; it is limited to the regular forces. I am informed that such persons will continue to pay at the same rate.

I think what the hon. member has in mind are persons who served in the forces during one war or the other and then took positions in the civil service. I am not absolutely certain, but my understanding is that they pay 12 per cent. That has no bearing at all on this section, which stipulates the two limitations I have mentioned.

Mr. Knowles: Is there not a provision that makes it possible for a man to move from one government service to another, calling military service government service, and carry with him his pension rights? I recall that amendments were made a few years ago to the Civil Service Superannuation Act and

the Minister of Finance said that the purpose was to provide mobility of pension rights. I should like to know whether this is narrowing that mobility or is it to take care of a particular case not provided for?

Mr. Campney: The general case to which the hon. member referred is that of persons moving from one department to another who were already under the Civil Service Superannuation Act. They would still be in the same position pensionwise. This section deals with contributions under the Defence Services Pension Act; it has a limited application to people who are eligible under that act but who leave to take a position on the civil side of the Department of National Defence. I do not think it intrudes at all into the general superannuation picture. This section covers an isolated set of circumstances which otherwise would work a hardship on people who continue to work in the same department but have left the regular forces to serve in a civil capacity. In many cases their background of service is useful to their continuing in a civil capacity with the department.

Mr. Knight: I want to pursue this a little further. The parliamentary assistant agrees with me that the contribution made by men who resigned from the services in 1945 and 1946 would be 12 per cent. However, I would like the other side of my question answered. I have mentioned two individuals, in whom I am not interested at all as individuals, who are accepting positions with the civil service. Will those men continue to make a contribution of 6 per cent, or will it be the 12 per cent contribution paid by the others?

Mr. Campney: Six per cent.

Mr. Knight: Why the difference? I did not say it is discrimination, but there would be some discrepancy considering the difference between 12 per cent and 6 per cent.

Mr. Campney: There is a class of persons who served in the active forces in one war or the other but who were not in the regular services and are therefore not making contributions under the Defence Services Pension Act. They are not making contributions under any pension scheme, and when they take civil service positions and want to take advantage of the Civil Service Superannuation Act they are allowed to count the time they have served in the active forces. In view of the fact that they have never paid into any pension scheme they are required to contribute 12 per cent. Those who are in the regular services would have been contributing under the Defence Services Pension Act; they would be contributing toward a pension, whereas those who enter