

State Pensions

rently, but those who have been retired for a number of years think the present arrangements look pretty good compared with what it was at the time they retired.

However, retired RCMP and retired armed forces personnel have to wait until they are 60 years of age to get the benefit of the escalation of federal government pensions which is generally available. When that was introduced in the first place it was fixed at age 60 because that was the normal retirement age in the public service. Many public servants now can retire on full pension at age 55 and receive the escalation immediately. Some public servants retire at even a younger age. If it is for medical reasons they receive the escalation. But quite a few persons in the RCMP or in the armed forces who retire at age 48, age 50, age 53 or what have you must wait until age 60 before they can receive the escalation.

Mr. Lambert (Edmonton West): If they retire on medical grounds they receive the escalation.

Mr. Knowles (Winnipeg North Centre): I said that. If a man can get sick the day before he plans to retire, he can receive it in that way. He cannot get it after he has retired unless it can be shown that he was incapacitated due to service. My hon. friend from Grenville-Carleton asks whether that applies to members of parliament. Yes.

Mr. Baker (Grenville-Carleton): And judges.

Mr. Knowles (Winnipeg North Centre): I am not sure about judges, but certainly members of parliament. It is a pretty general rule that the escalation does not begin until age 60. When one reaches age 60 he receives the full benefit of the percentage points accumulated over the years. If a person has been out for ten years and the cost of living has gone up by 50 per cent, then at age 60 he receives a 50 per cent increase in his pension that year, but he does not get anything back for the years in which he had to cope with the rising cost of living. There is no escalation in that case. I think this should be reviewed.

It is not unusual for me to raise this. I have raised it repeatedly with the President of the Treasury Board (Mr. Chrétien), the Minister of National Defence (Mr. Richardson), and the Solicitor General (Mr. Allmand), and have received dozens of responses to the effect that the matter would be given consideration, but it never seems to get any further than that.

With regard to escalation which is covered under the Supplementary Retirement Benefits Act which is being amended in some respects by this bill, I think the same arguments apply that apply in respect of the escalation of other pensions. I was not one of those who carried on or played any great part in the question of whether the escalation should be quarterly rather than annually. I felt that a few cents or a few dollars now or then really did not solve the problem but that the need was for more substantial increases in the basic amounts. However, once it has been established that some pensions are escalated quarterly then the persons who would get escalation only once a year feel there is discrimination and unfairness against them, and they are right.

The only pensions that are escalated quarterly now are the old age security pension, the guaranteed income sup-

[Mr. Knowles (Winnipeg North Centre).]

plement, the Canada Pension Plan and war veterans allowances. The disability pension for veterans is not escalated. None of the pensions for public servants, the RCMP, or the armed forces is escalated quarterly whereas that is the rule, as I say, with regard to certain others. I think that should be changed.

Again, in relation to the whole gambit of pensions there is always a lag in respect of escalation. If you get an increase in January 1976 of 10.1 per cent, which is what retired public servants will get a couple of months from now, how is that 10.1 per cent arrived at? It is arrived at by comparing the average cost of living for the 12 months which ended on September 20, 1975, with the 12 months which ended on September 30, 1974. The cost of living in the later 12-month period is 10.1 per cent more than in the former period, so you get a 10.1 per cent increase in the pension in January 1976. But we are talking about a cost of living increase which took place in a period right back into 1974. In other words the formula that we now have means that we are always behind in the escalation of pensions.

This might not apply as much in this area as in respect of senior citizens—and I have in mind the old age security pension—but it still applies here. There also should be a special cost of living index that measures the actual cost of living experience of retired persons. The consumer price index now used, as put out by Statistics Canada, is a general one which covers the whole gambit of living costs, including many items that retired persons do not buy. We have been told from time to time that Statistics Canada is working on a special index. I think there should be one, certainly in respect of the old age pensioners. So, Mr. Speaker, I urge that some of these matters I have been speaking about be looked at in the committee. I have a few more suggestions but perhaps they had better wait until tomorrow morning. May I call it ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

ROYAL CANADIAN MOUNTED POLICE—ALLEGED SURVEILLANCE OF CERTAIN CANADIANS OF ARAB DESCENT— REQUEST FOR REPORT

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, on October 30 when I asked the Solicitor General (Mr. Allmand) about the surveillance of Canadians of Arab descent it was against a background of great concern about the inequity, if not iniquity, in having decent Canadian citizens smeared.

The outrageous and harmful article in the *Globe and Mail* on October 27 is but one of the efforts to malign the record and impugn the motives of one group of Canadians, namely, those who came themselves, or whose ancestors came from the Arab countries. The article itself was suf-