

Mr. CARON: Even if he is working anywhere?

Dr. DAVIDSON: Yes.

Mr. TARDIF: He can stop making contributions?

Dr. DAVIDSON: No. He will continue to make contributions under C.P.P. and build up his eligibility for future benefit when he does retire.

Mr. WALKER: No one shall receive less total benefit from that pension and C.P.P. than he would have received. This is the philosophy of the full act. Is that not so, that nobody shall receive less than whichever pension turns out to be the higher—the C.P.P. or superannuation?

Dr. DAVIDSON: That is when he retires.

Mr. KNOWLES: That would be the philosophy. We are talking about a man who retires at 60 or 62 and suffers a reduction in his pension. The section says there is to be a reduction. It does not say anything about C.P.P. It provides a formula of seven-tenths of a per cent.

There is another section which says that, as a result of this reduction, together with whatever he is getting through C.P.P., if he is not back to the original amount, he can apply for makeup pay.

Now we are told there can be circumstances where he would not get that amount.

So, from 62 to 65 a man is working, drawing full superannuation benefit. From 65 to 68 he is still working and his superannuation is reduced, but he may not get the other.

Mr. CLARK: That particular provision is not dependent on regulation. Subclause (1d) on page 13 says that the guarantee under (1c) does not apply in these circumstances of employment, in effect, after 65. That is not a subject that is left to regulation.

This is another recommendation of the advisory committee which the minister mentioned earlier. This committee felt that, taking two civil servants with similar employment history, one retires completely at 65 and the other continues working, the one who retired completely and who was subject to a reduction in his pension, should not get less from the superannuation account than the other one who continued working. This was the reasoning which led to this recommendation.

It was to give equality between pensioners whose service with the Civil Service had been identical.

Mr. KNOWLES: Are you telling me now that under (1d) a person who, because he is still working, is not drawing C.P.P., is not subject to (1c)?

Mr. CLARK: That is correct.

Mr. KNOWLES: But when we were talking about the setting of the effective date by regulation, you gave the example of a person in this 65 to 70 bracket as a reason for leaving it to regulation.

Mr. CLARK: You could have a situation of some doubt over the application of sections 68 and 69 of the C.P.P., where the relevant date at which application could be given to (1c) was not completely clear.