

Statute Law Amendment Act, 1970

In his statement in this House on March 10, the hon. member for Winnipeg North Centre made a number of comparisons. I know he is essentially a very fair man, but his speech made it very clear that he was not only objecting to one particular provision being in this bill but he was objecting in substance to what was proposed, and he described the operations of the present plan in certain clichés. In particular he referred to the maximum pension of \$9,000. In fairness to the hon. member I should quote him when he said, as recorded at page 4597 of *Hansard*:

Incidentally, under the rules of the present pension plan nobody could ever get to that \$9,000.

But he did not mention any of the other figures of actual pension payments. I feel that this calls for talk not about theoretical maxima but about what the amounts of pension presently are under the actual plan. I have before me the "Report on the Administration of the Members of Parliament Retiring Allowances Act for the Fiscal Year Ended March 31, 1969," and I wish to cite cases from it. My colleague, the hon. member for Kenora-Rainy River (Mr. Reid), did some calculations with respect to those who have participated in the present plan. He calculated that of those who have contributed to the plan since its inception 88 per cent failed to draw any benefit whatsoever. With respect to those lucky 12 per cent who hit the jackpot—and here I recall that the hon. member for Winnipeg North Centre referred to the plan as being a generous one in some features, although I do not think he really intended to do that—I would like to indicate the actual amounts which they received. One of these pensions was between \$4,000 and \$5,000; three pensions were between \$3,500 and \$4,000; three pensions were between \$3,000 and \$3,500; less than 3 per cent of the total pensions paid under the act exceeded \$3,000, and 31 per cent of them were smaller than \$1,500.

The hon. member for Winnipeg North Centre referred to the 60 per cent provision for widows, and indicated that the 50 per cent provision under the public service plan was less generous. But let us look at what that 60 per cent provision gave to seven widows under this act. Three received between \$500 and \$1,000, and four received between \$1,000 and \$1,500 per year. None of them received more than \$1,500 per year. Now, the suggestion that this is a generous provision through the fact that it was arrived at by a mathematical formula which included 60 per cent,

whereas the other schemes had 50 per cent, is in my opinion something less than the candour I normally expect from the hon. member.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. Francis: Certainly.

Mr. Knowles (Winnipeg North Centre): Will he not agree that when I talked about the plan being generous, I was referring to the new plan, not to the one now in existence?

Mr. Francis: Well, Mr. Speaker, if the hon. member wishes to clarify his context in that respect, then that is his wish, but certainly the present plan is 60 per cent. I might say that my reference to the hon. member's speech is based on page 4596 of *Hansard*.

Mr. Knowles (Winnipeg North Centre): I was talking about Bill C-194.

Mr. Francis: Let us look at it on the basis of comparisons that he has made. The hon. member compared the proposed changes, and I will quote him directly lest he fear I am quoting him out of context, as follows:

• (12:50 p.m.)

With the 3½ per cent per year after the first ten years plus the other arrangements down the line, it makes it possible in 25 years to reach a maximum of 75 per cent. Our civil servants take 35 years to reach a maximum of only 70 per cent. Just on the surface of it, I suggest that is too generous.

I am quoting him verbatim.

Does the hon. member believe there is the same security in being a member of this Parliament as there is in being a member of the public service? Does the hon. member really believe that the average age of entry into the public service is comparable with the average age of entry into this Parliament, or that it should be? Does he believe that this is a fair comparison? Some of us on this side, Mr. Speaker, have a feeling that there is an element of demagoguery here. Some of us feel just as strongly that an amendment to an act which allowed only 12 per cent of those who contributed to ever draw a penny of benefits, otherwise they would just get their money back without interest, is not good. And if you were part of the lucky 12 per cent, your widow might get between \$500 and \$1,500 pension if you died, with nothing for surviving children. If you are really lucky you would get a pension which, on the average, came very close to \$2,000.