

Mr. CANNON: I find this discussion most extraordinary. This is a bill based on the unanimous report of the committee, all parties in this House being represented on that committee. The hon. member did not go to the committee, but his friends must have been there to safeguard the interests of the people. If we continue to proceed at this rate, we shall be here probably all winter. My hon. friend is not the only member in the House. He should have confidence in his own friends who were members of the committee.

Sir HENRY DRAYTON: I thank my hon. friend.

Mr. ROBB: I think the observations of the ex-Minister of Finance (Sir Henry Drayton) are very illuminating and will help us to make progress later on.

Sir HENRY DRAYTON: I cannot please both the Acting Minister of Finance and the hon. member for Dorchester (Mr. Cannon) at once, although I would like to. If I am saying anything which is not strictly in order, I hope the hon. gentleman will call me to order in his efficient way. He has very efficient, taking ways with him, and anything I can do to provoke him to speak will be a pleasure to me, because I always like to hear him talk.

Mr. CANNON: The hon. member's answer to the question I asked is about as clear as mud. I should like to know if he has separated himself from the rest of his party, or if he has confidence in those members of his party who were on the committee.

Sir HENRY DRAYTON: I have not found anything from my hon. friend requiring an answer. When he gets down to something on the bill, I shall have much pleasure in replying to him. I want to find out if I can how much of that \$12,027,000 has been put up by the Civil Service and how much has been contributed by the country.

Mr. MALCOLM: All from the service.

Sir HENRY DRAYTON: How is it proposed to handle those claims of the service in connection with this scheme?

Mr. MALCOLM: Those contributing to the Retirement Fund are permitted to transfer to the new scheme within six months. That has been changed by the committee to a year. On transfer, the amount to their credit in the Retirement Fund is transferred to the consolidated revenue fund and the entire period of service for which contributions have been made to the Retirement Fund is counted in computing all allowances under the new scheme.

If for any period of service contributions were not made to the Retirement Fund, such period is counted only to the extent of one-half unless arrears of contributions at the rate of 5 per cent are paid without interest. That is the situation with regard to those who have been paying 5 per cent into the Retirement Fund. Contributors to the Superannuation Fund who have been paying a lesser amount have permission to transfer similarly to those under the Retirement Fund, and the period in respect to which contributions have been made to the Superannuation Fund is allowed in full in computing the employee's own allowance, but only to the extent of one-half in computing widow's and children's allowances, unless they pay the arrears of the difference between the rate actually contributed and the 5 per cent without interest. If for any period contributions were not made to the Superannuation Fund, such period counts only to the extent of one-half in computing all allowances unless arrears of contributions at the rate of 5 per cent are paid without interest.

There are certain permanent employees who have never contributed to any fund. These employees are permitted to transfer to the new scheme, but their period of service is counted only to the extent of one-half in computing all allowances unless arrears of contributions at the rate of 5 per cent are paid without interest.

Sir HENRY DRAYTON: What is the percentage of payment making up that \$12,027,000?

Mr. MALCOLM: 5 per cent.

Sir HENRY DRAYTON: Then, it is just the same.

Mr. MALCOLM: They are all treated equitably, justly, under the provisions of the bill.

Sir HENRY DRAYTON: In order to treat them justly, they should be taken in absolutely without any further payment for the number of years they have paid.

Mr. MALCOLM: For the Retirement Fund, they are.

Sir HENRY DRAYTON: That was the only thing I was dealing with. If we have 100 per cent of the service coming in, what contribution should we now make in order to preserve the actuarial basis?

Mr. MALCOLM: It is estimated that an amount equal to the \$12,000,000 now in the Retirement Fund will be sufficient together with 5 per cent of the salaries for the