

the circumstance of the man being employed from 62 on and therefore his Canada Pension Plan entitlement is under suspension after age 65.

Would you suggest that, because he is working and his Canada Pension Plan portion is in suspense during the period of his employment, that total amount should be made up to him retroactively?

Mr. KNOWLES: You have made the suggestion. This gets back to the post office workers who have been told, by you and by me, that they suffer no disadvantage. Our post office workers say that if it were not for this arrangement they could get some other job and draw full superannuation but under this arrangement and the circumstances outlined by Dr. Davidson, the superannuation will be reduced at 65. Can you explain that to the post office worker in the light of the assurance that there would be no reduction?

Dr. DAVIDSON: His superannuation is not reduced; his Canada Pension Plan benefit is in suspense.

Mr. KNOWLES: Under this clause, once he reaches 65 it is reduced. On the one hand the formula is such that civil servants do not get full extra benefit of the Canada Pension Plan. That is decided policy and I can only argue about it.

Here is a case where you are nullifying the assurance that no civil servant would be at any disadvantage that he would not have suffered had the C.P.P. not come into effect. You have helped me to build up a case.

Dr. DAVIDSON: I try to be helpful.

Mr. KNOWLES: A post office employee retires at 62, gets another job and works to 70. His superannuation pension is reduced at 65. He then says "You said we would not suffer; if there had not been a C.P.P. I would still be drawing full pension."

Dr. DAVIDSON: The intention is to ensure that a person retiring at 62 will get full public service superannuation benefit without any abatement between 62 and 65, assuming that he has retired. The intention further is that at 65, if he continues to be retired, he suffers an abatement in public service superannuation benefit only equal to the C.P.P. amount that he becomes entitled to at 65, and if there is any greater abatement it has to be made up by this clause here. That right, so far?

Mr. KNOWLES: Yes.

Dr. DAVIDSON: This then provides that if at 65 he is not retired but employed, the amount of the C.P.P. which is suspended under C.P.P. because of his employment at 65 will be made up to him by this clause on page 13.

Mr. KEAYS: Up to the time he gets the C.P.P.

Dr. DAVIDSON: This clause does not go so far as to provide that that will be made up to him.

Mr. CARON: That will affect only those employed by the Government. Outside the Government it does not affect their pension.

Dr. DAVIDSON: It does. If he is working at 65 the C.P.P. provides that his benefit under the C.P.P., to which he would be entitled otherwise, would be suspended.