

*Government Annuities Act*

the government the other day. Even though from this side of the house we have indicated general approval of the changes proposed by this bill, I believe the house is entitled to that information before giving approval to the principle of the bill, which is what happens when it receives second reading.

The parliamentary assistant tried to make one other point. He suggested that some of the things we were discussing the other day during the resolution stage were not relevant to this bill. In particular he referred to my discussion of the interest rate and the mortality rates, and suggested that those are matters which are determined by the governor in council. May I point out to him that the authority to determine those matters by order in council is provided in the legislation. As a matter of fact the bill now before us has a section which confers that authority, and it is one of the sections that has been re-drafted in this amending legislation. I submit, therefore, that when parliament is being asked to give the governor in council authority to fix the interest rate and to determine the mortality tables, surely at such a time we have a right to discuss that phase of the matter. Nevertheless I do not propose to go into it at any length tonight, because I did so on Thursday of last week when we were at the resolution stage. But I hope what the parliamentary assistant has just said is not a suggestion that when we get into the industrial relations committee we shall be denied the right to discuss that phase of the matter. As I said the other day I feel that, acceptable as are all the changes proposed in this bill, the most important change required with respect to government annuities is being overlooked, namely to put them back on the same basis they were on prior to the order in council of April, 1948.

As I said the other day, the raising of the amount of annuity a person can purchase to \$200 a month is not a great deal of help to many Canadians. Most Canadians have a real job trying to buy an annuity of any kind. What is important is lowering the cost of these annuities, particularly in the lower brackets. I certainly hope that we shall have the right to discuss that phase of the matter with the officials or with the Minister of Labour, when the bill comes before the industrial relations committee.

Among the questions that were asked the other day was one which I had hoped would be answered by a statement at this time, namely a question as to the extent to which existing contracts could be amended after the passing of this legislation, in keeping with the provisions that will be enacted when this

bill becomes law. We know, for example, that as the law now stands the maximum anyone can purchase is \$1,200 a year. It will be \$2,400 a year after this bill is passed. We know, too, that there are new types of contracts that can be purchased after this bill becomes law. I asked in particular whether people holding contracts at the present time would be able to have them altered along these lines. The parliamentary assistant drew my attention to the fact that the bill would provide authority to the Minister of Labour to amend existing contracts, so I was interested in discovering that there is such a section in the bill. We are on second reading, Mr. Speaker, which means that one is not supposed to refer to the sections of a bill, but since we are not now going into committee of the whole on this bill I might be permitted half a minute to draw attention to the fact that the new section 6 of the bill will provide for variations to be made in existing contracts. But that authority is subject to certain other sections of the bill, namely sections 4, 7 and 8.

I find as I read section 8 it suggests that the total amount of annuities to be paid people who had contracts previously cannot exceed the maximum amount that might have been paid under this act or under those contracts before the commencement of this subsection. From my reading of that subsection it seems to limit the right of the Minister of Labour to amend existing contracts so as to bring them up to the new maximum provided in this amending bill. As I have already said, there are other features of the problem that I regard as being much more important than this; but since this change is being made—and it is being made because of the increased cost of living and the decreased value of the dollar—it seems to me that it should be made available not only to those who purchase annuities from here on but also to those who already have existing contracts. As I say, there were other questions we put to the government on a previous occasion. I had hoped they might be answered now, but in view of the situation we will ask our questions in the committee on industrial relations. In that committee I hope that we shall be able to discuss that other all-important question, namely that of getting the cost of annuities down at least to the level that obtained prior to April, 1948.

**Mr. Cote (Verdun-La Salle):** Mr. Speaker,—

**Mr. Speaker:** If the parliamentary assistant speaks now, he will close the debate.

**Mr. Cote (Verdun-La Salle):**—before the debate terminates on this point, I should like to remind my hon. friend that when the Minister of Labour (Mr. Gregg) introduced the