

Treasury Board were quite hopeful that there was going to be an amendment on this score.

I had other reasons for thinking it was going to happen and that we were going to get an amendment to provide for pensions to widows in such cases with some reasonable restriction. I do not ask that, if such a marriage lasted only six months or a year; a lot depends on the ages of the respective spouses, but certainly, and I am sure my friends who are on the committee will confirm this, the view of Mr. Whitehouse was specifically, from his talk with the President of the Treasury Board, that there would be an amendment on this score. Perhaps others have had the same letter that I had from Mr. Whitehouse asking how we made out on that. Unfortunately I have had to write him a disappointing letter. That was only one of so many disappointing letters I have had to write during my years of experience here, to the effect that the government had said no.

**An hon. Member:** You belong to the wrong party.

**Mr. Knowles (Winnipeg North Centre):** I am sure that my friend and members of his party have to write many letters of the same sort.

In any event, it was unfair that Mr. Whitehouse was treated in this way, as well as the committee, by being given the impression that something was going to happen and then it not happening.

I get the impression that whatever items there may have been along this line, the restraint program got in their way. It got in the way of the prisoner of war legislation we hoped to get from the Minister of Veterans Affairs (Mr. MacDonald), and it has got in the way of those provisions which we asked for in the joint committee on this bill. I still think it is most unfair. As I say, there are instances in which the first marriage lasted only a few years, but where the second marriage lasted many years, during which the second wife raised the children or carried out responsibilities that were greater than those of the first marriage, yet no pension is allowed under that rule. I think this bill is unacceptable in that it does not provide for a change in that respect.

There are those three things regarding wives, widows, or women that we think should have been acted on but were not, and to us this makes it an unacceptable piece of legislation to amend superannuation acts that we are being asked to push through, particularly without touching on these matters.

One of the reasons I say it is so unsatisfactory is that these things take a long time in coming. We will not get another such bill six months or a year from now. It will be way down the road, and the next time there will be some other anomalies that have to be straightened out, so we will not get action on these points then.

Another issue we raised in the committee, and again got the answer that it was too costly, could not be done and was not in the Governor General's recommendation, is the base that is used for calculating pensions under the Public Service Superannuation Act, or the pensions of other superannuation acts, namely, that the pension is calculated on the basis of 2 per cent per year of service times the average salary in the six best years.

### *State Pensions*

Back in the so-called normal times, if ever there were normal times, the last six years of a public servant's employment could be at a level of salary that did not change greatly, but in the past six years we have had public servants whose salaries have doubled in that period. So when you ask these public servants to take a pension based on 30 or 35 years; in other words, 60 per cent or 70 per cent of their six best years, you are asking them to take a considerable cut from what they have been receiving recently because of the escalation in salaries in the last six years.

We felt, therefore, that the time had come to cut down that six-year period. Some of us in the committee proposed it be cut to four years or three years or two years, or even to one year; various shorter periods. We proposed that, but we could not even get the matter discussed.

The Parliamentary Secretary to the President of the Treasury Board took the proper position for him to take as a parliamentary secretary, namely, it was not in the act and it would cost so much that it could not be done. That is why the minister should have been there. I think there will be many public servants, members of the armed forces, the RCMP and others who will find it very disappointing that this parliament has again dealt with a bill to amend superannuation acts but has not dealt with this issue.

I move on, Sir, to the issue of the time at which pensions can escalate. We are talking now of an annual escalation which, for example, in January, 1976, will be 11.3 per cent based on the rise in the cost of living over one 12-month period as against another. The fact is that this is attainable only for retired persons who are 60 years of age or over.

That is all right for the public servant whose age for normal retirement is that or older, but we have employees of the RCMP and the Canadian Armed Forces who are not permitted to work until age 60. They work on contracts under which they are required at age 48 or 50—in there somewhere—to go out on pension, and there is no escalation to deal with the increase in the cost of living until they reach age 60.

Some of us have been arguing for a long time that this should be changed. I have raised it with the President of the Treasury Board, with the Solicitor General (Mr. Allmand), and with the Minister of National Defence (Mr. Richardson), each of whom has referred it to the other. It is still an issue that ought to be dealt with but is not dealt with in this bill.

Again we had before us at the joint committee a delegation of the Canadian Armed Forces Long-Service Pensioners Association. The representatives presented their case and certainly left with the same impression that Mr. Whitehouse left with concerning the other issue, namely, that something was going to be done. I certainly got the impression that something was going to be done. It might not be an escalation available at the point of retirement at 48 or 50 years of age, but it might be at age 55 or somewhere in there. However, when the parliamentary secretary came back from such discussions as he had, there was no change.

There is another issue we have been kicking around in this House ever since 1969, ever since escalation came in; once again it is not there. I was extremely disappointed. I