

No. 135

JOURNALS

OF THE

HOUSE OF COMMONS

OF CANADA

OTTAWA, TUESDAY, MAY 18, 1971

2.00 o'clock p.m.

PRAYERS

Mr. Tolmie, from the Standing Committee on Justice and Legal Affairs, presented the Seventh Report of the said Committee, which is as follows:

Pursuant to its Order of Reference of Friday, December 18, 1970, your Committee has considered the subject-matter of the Petition presented to the House by the honourable Member for Cape Breton-East Richmond (Mr. MacInnis) on December 10, 1970, with respect to pension arrangements under the Cape Breton Development Corporation Act, hereinafter referred to as DEVCO.

In considering the subject-matter of this Petition, your Committee held five (5) meetings and heard the following witnesses:

Mr. Donald MacInnis, M.P.
Mr. Robert Muir, M.P.

From the Cape Breton Development Corporation:

Mr. R. B. Cameron, Chairman of the Board;
Mr. C. D. Burchell, Legal Counsel;
Mr. Bruce McDade, Vice-president—Industrial Relations.

From the United Transportation Union:

Mr. C. W. McDevitt, Vice-president;
Mr. D. V. McDuffe, Assistant Canadian Legislative Representative.

From the Department of National Revenue, Taxation:

Mr. G. J. MacKenzie, Director, Source Deductions Division.

Your Committee has given the subject-matter a thorough study and now wishes to make the following report.

1. The Petitioners allege that:

(a) Although Section 18 of the Cape Breton Development Corporation Act, Chapter 6, of the Statutes of Canada—1967, provides that the Corporation shall by by-law provide for the establishment, management and administration of pension arrangements for the benefit of persons employed or formerly employed in certain coal mining and related works and undertakings on the Island of Cape Breton and for the benefit of the dependents of such persons, that the Corporation has not in fact done so.

(b) Unemployment Insurance benefits are deducted from the guaranteed income now provided in amounts of up to \$3,000 per married man and \$2,400 for single men, the income being known as a Pre-Retirement Plan.

(c) Such Plan in reality is an income supplement scheme and not a pension arrangement, and that