he wrote to Mr. Whitehouse, the secretary-treasurer of the federal superannuates national association? He said this:

With reference to your letter of November 18, as I indicated in my letter of October 4, 1963, the government was not prepared to make any basic change in the Public Service Pension Adjustment Act while the ultimate form of the Canada pension plan has not been decided by parliament following consultation with the provinces.

The Canada pension plan, as explained in the House of Commons and to the public, contained no provision for the adjustment of pensions payable under it once those pensions commenced. This was a point of considerable interest to all concerned and the government was not prepared to propose the introduction of any automatic pension adjustment factor in legislation dealing with the pensions of retired civil servants when none was provided under the proposed Canada pension plan. This, I would say, was the basic amendment most frequently proposed for the Public Service Pension Adjustment Act in the representations which had been received by the government and were under review when I wrote to you in October.

At that time, Mr. Speaker, the Prime Minister said, in effect, that since there was no provision in the Canada pension plan for automatic pension adjustment according to the cost of living index the government could therefore not amend the Public Service Pension Adjustment Act. This Canada pension plan does provide for such automatic adjustment by way of a pension index; yet the Prime Minister refuses to help these people who are already retired and in great need.

As I understand it, Bill No. C-136 includes civil servants. The example I am going to quote now is not by way of criticism. At least I am not trying to take anything away from the civil servants. What I am trying to do is to compare the amount with which the present civil servant will retire with that received by those who have already retired. For example, if the Canada pension plan is created as it is now proposed, and if the superannuation act is not amended, it could happen quite frequently that a civil servant will retire with a combined pension greater than his salary. I will give two examples of this situation.

Assuming that a civil servant, who is 55 years of age when the pension plan begins operating, retires at age 65, and assuming that his average salary for his best six years, on which his superannuation is based, was $5,000, he would receive from his superannuation $3,500 per year and from the Canada pension plan, $1,860, or a combined pension of $5,360, which is $360 more than his salary.

The second example is of a man who continues to work in the civil service to age 70, and this is possible because the minister has the authority to extend employment beyond age 65. This happens quite frequently. Assuming that man had 35 years of service and retired at age 70, he would receive $3,500 in superannuation, and $2,148 from the Canada pension plan, giving him a combined total of $5,648, or $648 more than his salary.

This is the kind of thing that might happen in the case of civil servants who retire in future, as compared with those who retired some years ago; and I have used the example of a principal clerk who retired in 1953 with 35 years service. The figures I intend to give are approximate only. His pension from superannuation would be $2,660 per annum. Another civil servant occupying that same position as principal clerk, with the same period of service to the people of Canada, retiring some time in the future, say 1976, would receive $3,650 in superannuation, and in addition, having contributed ten years to the Canada pension plan, would receive a Canada pension of $1,200. In other words, he would have a combined pension of $4,850, as compared to the individual who had the same job but retired in 1953 with a pension of $2,660—a difference of over $2,000. Those are the individuals who need assistance but for whom the Canada pension plan does absolutely nothing. The first weakness I see in this plan is that it does nothing for the old people.

The second weakness, in my opinion, is that great discrepancy between pensions payable to people who have only paid in for ten years, and pensions paid to those individuals who have paid in for up to 52 years, the maximum time. As I read the bill, an individual who pays in for ten years receives exactly the same pension as the man who has paid in for 52 years, provided of course their average annual salaries were the same. There will be many modifying factors which will creep in during the 52 year period, but that is the situation.

Let us consider the example of two men, one from each of the two categories, the man who has paid in for ten years and the man who has paid in for 52 years. Let us call the ten year man Mr. Abel and the 52 year man Mr. Baker. In each case I am comparing only the related earnings part of the pension, because of course they would both be eligible for old age security at age 70. Assuming that Mr. Abel and Mr. Baker had an average annual earnings of $5,000, Mr. Abel during the ten year period would pay in a total of approximately $800 and receive a pension of $104 per month. Mr. Baker during his 52