

rights of election which presently exist. In due course I am going to propose to the parliamentary assistant that a slight drafting amendment be made to section 7 subsection 2.

The CHAIRMAN: Which subparagraph?

The WITNESS: 7 (2) (b).

The CHAIRMAN: Mr. Lesage moves that 7 (2) (b) which you will find on page 10 of the bill be amended by striking out the paragraph as shown on the bill and substituting in lieu therefor the following:—I will read slowly—“any period of service in the Public service as a part-time employee unless it is service that may be counted under clause (b) of subparagraph (i) if paragraph (b) of subsection (1) of section 5.” All those in favour please signify?

Carried.

The WITNESS: The purpose is to preserve the right of election certain civil servants now have under the existing Act.

The CHAIRMAN: Are there any further questions on elections and manner of payment?

What are the consequences, Mr. Taylor, of default in payment of instalments indicated by the election?

The WITNESS: If a person has elected and undertaken to pay on an instalment plan either over his life or ten years or any other period, if he defaults in such payments it would not upset the election. But when he came to draw benefits his pension would be reduced by the amount which he was in arrears.

Mr. McCUSKER: Once he elects he cannot change?

The WITNESS: He can elect to vary the rate of payment. If I have elected to pay over ten years and I wish to change it to five years I can accelerate my payments.

Mr. Low: Can he retard them?

The WITNESS: No.

The CHAIRMAN: He, automatically I take it, has a right to retard them if in his default the only consequence that happens is the liability?

The WITNESS: I might say if he is working in the government his instalments are paid by payroll deduction so he has no chance of default.

Mr. FULFORD: Supposing he wants to retard them can he have the amounts deducted by the government reduced?

The WITNESS: No. The regulations do not provide for that.

Mr. FRASER: Are you going to discuss the benefits under this present policy?

The CHAIRMAN: The benefits are on the next page.

Mr. LESAGE: Supposing a person could have elected under the old Act for pensionable service in a provincial government and failed to do so in the year after his appointment or his permanency would he be entitled to elect under this Act now?

The WITNESS: Yes. The provision under the present Act is he must elect within one year and the calculations are based upon his starting salary in the civil service. Under the bill he may now elect at any time but the calculations of the amount to be paid will be based upon his salary at the time of making his election. In other words, normally the salary will be higher and he therefore suffers a penalty by failure to elect within the year.

The CHAIRMAN: But there is no deadline date now on which he would lose his right to elect?

The WITNESS: No. And also if he does not elect within the year he must take a medical examination.