

*Civil Service Superannuation*

This amended section is the same as the original section passed in 1924, except that it has the underlined words "or compensation" after the word "salary". In effect, the section is just as it was.

I should like to tell you, Mr. Chairman, and I should like particularly to tell the minister just how that section has been administered, because of contradictory opinions given by a former deputy minister in the minister's department. I shall quote first from a letter written by the financial controller of the Department of the Interior on November 21, 1924, to the director of the Department of the Interior:

Re deduction of 5 per cent from the amount of living allowance paid to Yukon officials who elect to come under the Superannuation Act, 1924.

In reply to your memorandum of the 27th September last relative to the above subject, I am to advise you that a number of rulings concerning the new act have recently been received from the Department of Justice, and among them there are two touching upon this subject. They are as follows:

Contributions must include 5 per cent of the value of living and residential allowances, both in respect of past service and in respect of future service.

The sum of 5 per cent must be deducted monthly from both the salary and the living allowances from the date of election.

Most civil servants in the Yukon are paid what is termed "salary," and in addition to that a living allowance of a fixed sum. For instance, a part of their remuneration termed salary will be \$2,000, and the living allowance \$1,500, as provided by this paragraph (1) of section 1.

As I have said, the deputy minister of justice said that the five per cent must be deducted not only from the portion of remuneration termed "salary" but that termed "living allowances" which, under the terms of the section, is also salary.

Here is a letter from the same deputy minister referring to one civil servant in the Yukon who was employed by the Department of Justice, notifying the controller of the territory as follows:

I am therefore to request that monthly deductions of 5 per cent be made from his salary and living allowance, and the amounts be remitted to this department in the form of cheques payable to the receiver general along with your monthly statements of expenditures connected with this department.

That put the deputy minister on record, without doubt.

What happened? Deductions were made from the total amount of the remuneration. Civil servants were retired on superannuation terms based on those contributions. They were

[Mr. G. Black.]

superannuated on that basis. Civil servants died and widows were pensioned. Their pensions were computed on that basis. That is commencing in 1924, and continuing that way fairly and properly and legally as fixed by this deputy minister of justice down to 1930.

I would ask the minister to note this: Then a few of the civil servants in the Yukon were transferred to Ottawa, where they no longer were paid living allowances. They conceived the brilliant idea of having returned to them the five per cent that they had paid while in the Yukon on their living allowance. That question was put up to the same deputy minister, and he met their wishes, regardless of the plain meaning of the act. Regardless of the law, he swallowed himself, reversed his decision and said that living allowance was not part of salary. And those men were allowed to draw out of the superannuation fund, illegally and improperly, their payments which had been made into it. I say that that action by the deputy minister of justice and the action of the ministers and deputy ministers of the other departments who acted on that reversed opinion of the deputy minister of justice have been inconsistent and unfair. They have been cruel to those remaining in the civil service and to those who retired subsequently to 1930. Those remaining in the service had their contributions returned and in many cases have been retired on miserably small allowances. The widows of deceased civil servants have been given pensions that are pitifully inadequate. I should like to read a letter written by the widow of one of these deceased civil servants to the public administrator of the Yukon. This reads:

This will acknowledge receipt of your letter to me of April 14, 1941, which only reached me on June 4, due to its being incorrectly addressed.

With that letter you sent me Canadian Bank of Commerce cheque payable to me for \$400, being the return of the contributions made by my late husband, P. M. Kelly, from his salary as a civil servant, to be applied on his retiring allowance, or on my pension after his death.

This amount of \$400 should not be paid to me but should be applied to the superannuation fund, to which it was paid, to be taken into account in computing the amount of superannuation allowance or pension payable to me as the widow of a contributing civil servant.

I am aware that the matter has been taken up with the government on several occasions and that the government has refused to do justice to those involved, with the exception of George P. McKenzie, and the late George McLean, but I decline to accept Mr. Jeckell's statement, as quoted to me by you, that there is no chance of getting the government to reverse its decision.

The cheque for \$400 is accepted by me under protest and with the knowledge, which you and