

State Pensions

Mr. Baldwin: Mr. Speaker, the hon. member for Edmonton West (Mr. Lambert), with his great care for seeing that things are done legally and properly—which is very essential in this House with this government—has raised a very valid point. However, so there can be no error, I suggest that the terms of the motion might be extended so that the committee will in any event be considered to be given by this House the authority to receive this particular bill and to consider it. Then there can be no doubt that there will be authority.

I think the hon. member has in mind that the committee might be *functus officio*. If that were the case, he would be right. We could rectify that if the President of the Privy Council (Mr. Sharp) provided in his motion that for the purpose of reference of this particular bill it would be assumed that the committee would receive such authority as might be required to consider the bill.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, it seems to me that the hon. member for Peace River (Mr. Baldwin) has, in effect, just said what I had in mind. Is it not a fact that to refer a bill to a committee is in itself to give that committee a term of reference? For example, there is nothing in the set-up of the Standing Committee on Miscellaneous Estimates which says that it will receive a bill on superannuation.

Mr. Lambert (Edmonton West): It is a standing committee.

Mr. Knowles (Winnipeg North Centre): It is a standing committee to deal with such things as are referred to it. When we refer a bill to a committee, that itself is a term of reference. If the committee did not exist, a problem would face us. But the committee does exist. It seems to me that if the House, particularly by unanimous consent, agrees to this we are in effect giving that committee this bill as a term of reference.

Mr. Speaker: Order, please. The House is obviously of a mind to amend the motion directing this bill to the committee. I could take the concern about the term of reference under review, but my initial reaction is to conclude that the passage of the motion, as amended, with the direction that the bill be sent to an existing committee, does in fact constitute a term of reference by this House that the committee study the bill. However, if I were to conclude differently before a vote is taken on this motion, I would certainly return to the House to say so. In the absence of that, I propose now to ask whether it is the pleasure of the House to adopt the change in the motion of reference, so that the motion will read that the bill be read the second time and referred to the Special Joint Committee on Employer-Employee Relations in the Public Service. Is that agreed?

Some hon. Members: Agreed.

Mr. Baldwin: Ipso facto.

Mr. Stanley Knowles (Winnipeg North Centre): Madam Speaker, during the first part of my speech on this bill, which I gave last evening between 9.30 and ten o'clock, I indulged in the nice things which could be said about it,

and there are favourable things to say about this bill. I also spent some time speaking critically in the sense that I was pointing out things not in the bill which ought to be there. These related to improvements in the pensions of public servants and others who come under the aegis of the federal government. Even though in much of what I said last night I was speaking critically, the general feeling of the House was that the changes I was suggesting should be considered, if not immediately then certainly somewhere down the road. In other words, the 30 minutes of my speech last night was the pleasant part. I left for today a part which might not seem so pleasant, at least to some hon. members in this House.

I regret very much, especially at this time when restraint is being proclaimed, that there has been included in this bill a very generous increase in the provision of pensions of members of parliament, members of the Senate, cabinet ministers and others. Some might say to me that all this bill is doing is relating our pensions to the amount of our indemnity, and because our indemnity has been raised, therefore it is appropriate to raise the potential pensions which are payable to members of parliament. However, the fact is that in a potential way this bill is increasing the pensions of members of parliament by 33½ per cent. I use the word "potential" because one's pension has to be computed on the six-year average. But that is the general effect of the bill, to increase the pensions of members of parliament by 33½ per cent.

I said a moment ago that one has to have in mind the six-year average, but it is also a fact that the pay provisions of members of parliament passed earlier this year include escalation of 7 per cent in January, and so on down through the years, so that the total amount of pension which is available to a member of parliament is on the move. It keeps going up. At the present time, the maximum pension a member of parliament can draw is \$13,500. That requires 25 years service, of course. That maximum will go up, according to today's pay scale, to \$18,000.

I am glad my hon. friend, the member for Edmonton West (Mr. Lambert), is here so that he can put in his objections, just as I did not agree and muttered my objections last evening when he pressed so hard for the right of members of parliament to draw their pensions and also to draw salaries in the public service at the same time. That is in this bill. I do not happen to agree with it, but one has to lose some battles as well as win some. I point out that a 33½ per cent pension increase is overly generous. I point out, also, that under the Members of Parliament Retiring Allowances Act, for ten years' service one gets a pension of 35 per cent of the average of his six best years. In the public service, it takes 17½ years to get 35 per cent. I point out, likewise, that for 20 years' service in this House one earns a pension equal to 65 per cent of the average of his six best years. It would take 32½ years in the public service to reach that level of 65 per cent.

● (1230)

Finally, I note that in the House, with 25 years' service one reaches a pension equal to 75 per cent of the average of his six best years. Of course, that 75 per cent level is never reached in the public service; the maximum there is 70 per cent for 35 years.

Mr. Lambert (Edmonton West): Thirty years.