

Adjournment Debate

Messrs.

Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields

Siddon
Skelly
Taylor
Thacker
Thomson

Vankoughnet
Waddell
Wilson
Wise
Wright
Young—93.

● (1805)

[Translation]

Madam Speaker: I declare the motion carried.

Motion (Mr. Gray) agreed to.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

CANADIAN NATIONAL RAILWAYS—COMMITTEE RECOMMENDATION ON PENSION FUND INQUIRY. (B) PENSION FUND INVESTMENT

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, I am calling upon the Minister of Finance (Mr. Lalonde), the Minister of Transport (Mr. Pepin), the Minister of Labour (Mr. Caccia) and the Chairman of the Standing Committee on Transport to get their heads together and reply to my question of November 29, 1982.

In June 1982, the Transport Committee passed a motion unanimously calling upon Parliament to provide the Committee with a reference to conduct a full inquiry into the CNR pension fund. I asked the Minister what was the current status of this report and when the House could expect to have it presented. All I received was an evasive and negative answer. I would strongly suggest that these three Ministers and the Chairman of the Transport Committee deal with this question and at the same time deal with the motion as passed by the Transport Committee on June 29, 1982. That motion as passed read:

That this Committee seek in its report to the House on the annual report of the Canadian National Railways for 1980 and 1981, a reference enabling a thorough review of Canadian National pensions, together with the necessary authority to call witnesses, to engage secretarial staff and professional advisers, and to report back no later than December 31, 1982.

It is now time for the three Ministers and the Chairman of the Transport Committee to stop delaying, stalling and passing the buck. It is now long past the time for these tactics; they are no longer acceptable.

Following presentations by two associations represented by railway pensioners, the Transport Committee of the House of Commons voted unanimously to ask Parliament to allow it to

hold a full-scale inquiry into the pension funds of Canadian National Railways. Mr. R. W. Worraker, Chairman of the National Council of CN Pensioners Associations, stated the following:

They concoct the recipe, bake the cake, give it to us to eat and don't ask us what it tastes like.

Some type of annual increase or indexing is desperately required to ease the plight of railway pensioners who received their pensions prior to 1973. Some of these pensioners are now in their eighties. How much longer can anyone expect them to have to sit around and wait for a decent pension which will enable them to live out their lives above the poverty line? They get the ministerial and bureaucratic runaround from the former president and Chief Executive Officer of the Canadian National who is paid \$150,000 a year and tells a group of pensioners in their seventies and eighties to find some resource to get a little bit of a pension increase. What a national disgrace this is under the Liberals.

● (1810)

I have in my possession statistics from the Retired Railway Employees Association of Canada which prove that some railway pensioners are receiving as little as \$115 a month; \$148 a month or even \$166 a month. Once again, as I have previously pointed out in motions in the House, railway pensioners have had to put up with the measly increases of \$77 over 19 years. This amounts to the grand total of \$4 per year or 33 cents a month, resulting in a \$265 a month pension rate. A 33 cent increase does not go far against the odds of record inflation rates, such as a 15.2 per cent increase in food costs. We are talking about rail workers who retired prior to 1973.

Even if there have to be changes to the Pension Benefits Standards Act, the three Ministers and the Chairman of the Transport Committee will have to take the necessary steps to make them before it is too late for these pre-1973 railway pensioners to enjoy an above-the-poverty-line style of life.

The Minister of Transport has stated in a letter to me:

Railway pensions are acknowledged by many experts to be amongst the best in the corporate world.

What about the pensioners who went on pension prior to 1973 and have no indexing? Can you honestly say their pensions are among the best pensions in the corporate world?

The pensioners complained that CN continues to shirk its full share of pension funding by deferring its contributions and that pensioners do not have adequate representation on the pension fund's board of trustees. The National President of the CNR Employees' Pension Association said investment income and employee contributions alone exceeded the pensions paid by a total of more than \$809 million between 1960 and 1981. With the inclusion of payments by CN, the excess rises to more than \$2.5 billion.

Furthermore, of CN's total contributions to the fund between 1960 and 1981 of \$1.71 billion, \$1.52 billion or 88.9 per cent of the total went to pay interest on the unfunded liability carried on the books of the pension fund, which stood at \$1.5 billion at the end of 1981. CN is paying that off with