

Of course, spouses who obtain a court order for maintenance against anyone on the federal payroll, which includes all the people I have listed at the beginning of my speech, will now be able to enforce it through garnishment or attachment like all other creditors. In addition, we have included provisions applicable only for financial support orders. This act will allow the government, upon application by a person with a support order, to divert pension benefits for the payment of the support order. This is a very important and significant change because we know that older women are the poorest of the poor. Few elderly women receive benefits under private pension plans. This is because they are more likely to work for small employers who do not have private plans, and few can look to their spouse's pension plans for survivor benefits. As I have said time and time again, those women discover that the old adage is simply not true. They do take it with them when they go.

The second part of the bill deals with the diversion of pension benefits to satisfy family financial support orders. The existing scheme of diverting pension benefits has been expanded and refined with respect to enforcement of family financial support orders. I want to make it perfectly clear that it does not allow the garnishment of pensions. Only a few provinces at present permit the enforcement of family financial support orders against pensions by means of garnishment. I want to emphasize today that we are talking about pension benefits payable to former public servants, Members of Parliament, judges and others.

What this bill does not do, and I want to be very specific, is provide for diversions of pensions such as veterans pensions and old-age security pensions. They are not touched by this bill. The bill is applicable only to superannuation or employee-employer financed benefit plans, and is restricted to benefits only when they become payable. In no way will it interfere with the contributions being made to those plans. The few Crown corporations who do not use the Consolidated Revenue Fund for their payroll but do participate in pension plans paid out of the Consolidated Revenue Fund, are also subject to this part of the bill.

Currently, under the Public Service Superannuation Act, the Canadian Forces Superannuation Act and the Royal Canadian Mounted Police Superannuation Act, pension benefits may be diverted to a person seeking to enforce a family support order. However, whether or not a diversion takes place is at the discretion of the minister responsible for that plan. This is also a very important point. While this discretion has always been exercised in favour of a diversion, such diversions rarely exceed 50 per cent of the pension benefit. Provisions of the bill remove the ministerial discretion and make a diversion compulsory if there is a valid court order and the basic requirements, such as Canadian residency, are met.

Where there is no provision under provincial law for the diversion, attachment or garnishment of pensions for family financial support orders, the amount to be diverted will not exceed 50 per cent of the net pension benefit. Where provincial law does permit garnishment, attachment or diversion or such

pensions for family financial support orders, the amount to be diverted will be determined in accordance with provincial laws.

I urge the Members of the House to pass this very important piece of legislation. A law of this sort is absolutely necessary if spouses and ex-spouses of federal employees are realistically to exercise their full legal rights under maintenance orders. I suggest to Members of the House that it will make life in their constituencies a great deal easier, and I would also like to make it clear that there will be no more special treatment for parliamentarians.

Since I am concerned that there will not be enough people aware of these changes, especially those women who have been suffering for a long time under previous circumstances, we intend to prepare pamphlets outlining these amendments after the bill is proclaimed. We will see that they are placed in public areas so that women with support orders will be able to pick them up. Of course, we will make sure that these pamphlets will be placed in family courts where they are likely to be picked up by those most interested.

What is equally important is the fact that these measures have the support of the provincial governments. I understand that hon. members of the House are anxious to see the bill passed and implemented as soon as possible. Once the bill is enacted it will take a few months to promulgate the required regulations and to ensure that all the necessary mechanisms are in place. I hope that this can be accomplished quickly and that the bill will come into force as soon as possible.

• (1510)

Mr. Joe Reid (St. Catharines): Mr. Speaker, today, as the Minister of State for Mines (Mrs. Erola) has pointed out, will mark the end of one more ancient and Royal prerogative. Many years ago, the image of a creditor was one which could be conjured up while reading one of Charles Dickens' novels. But who is the creditor today? Today he is the corner grocer, the mechanic or the dentist. He could even be one of us, just as we, as hon. members of the House, could be losing the protection which was ours heretofore. It is the easy credit life which most of us live in a credit card society. But anyone in the practice of law has known the difficulties and the frustrations that existed when he attempted to recover a debt from a Crown employee. The storekeeper yesterday, as today, could not afford to write it off because of the cash flow restrictions, yet he was faced with a kind of difficulty as outlined by the government spokesperson. No attachment or garnishment could be levied against a person who owed money and was an employee of the Crown. If one were an Armed Forces representative, one would have to rely upon the commander, the department head or even the minister. Unless one had that person's support and authority, recovery was indeed difficult. The exemptions from execution still remain as against the Crown, but the execution, attachment and garnishment went back many years, as we all pointed out, and made it then impossible to effect the recovery which this bill will now enable with the passage of time.