

*Pension Benefits Standards Act, 1985*

that we have had an opportunity to change the legislation and if we again fail to protect Canadian workers with respect to inflation protection, I do not think we have done our job.

We have yet to determine whether or not a pension belongs to the employer or the employee. Therefore, a number of companies have found that there is a surplus in the pension plans as a result of the actuarial assumptions that were made at the time they introduced the pension plan. They have taken advantage of this and simply asked an insurance company to bid on an annuity that would pay their obligations under the pension plan and then pocket the surplus in the pension plan system. The law allows them to do this and it is perfectly understandable. The surplus in the pension plans which I believe belong to the workers are used by the employers for their own purposes.

I believe there is something fundamentally wrong with that concept of a pension and I had hoped the Government would have reflected in its legislation the definition that the pension belongs to the workers and not to the companies. I believe that definition was agreed to in that committee. I suggest that is a serious flaw in this legislation, but I also recognize that it will be very difficult to deal with because I do not underestimate the cost to the Government in accepting such a proposal.

I agree with the Minister that this is good legislation. I will not strenuously object to this legislation because it will go a long way to ameliorating a situation that has existed for the last 20 to 25 years. However, that does not mean we should not do our job as parliamentarians and ensure that the members on the committee at least understand the concept I am trying to get across that those assets belong to the workers and not the employers. I will be asking the committee to seriously consider this flaw in the Bill when it goes to committee. The pension groups will have an opportunity to explain their views.

I know that many Members of the House have constituents who are CN pensioners. I can assure the House, having investigated the way CN, a Crown corporation, has treated its pensioners, that it leaves a lot to be desired. One reason why the company has been allowed to treat its pensioners in that manner is that the current legislation does not clearly define who has the control of the assets in the pension plan system. Again, we are passing legislation, that I suspect will be the standard for the next 25 years, which is missing the mark on inflation protection and the definition of who owns a pension plan system.

It is also important to recognize some concerns about the definition of "part-time" in this legislation. My friend from the New Democratic Party, the Hon. Member for Beaches (Mr. Young), will speak in more specific terms about this matter but it should be drawn to the attention of Government Members who may be sitting on that committee. The issue of part-time workers is an area of potential concern for us all.

There are rare opportunities for Parliament to reopen legislation. It has been 20 years since we dealt with this legislation and when we deal with amendments to the Canada Pension Plan it will be our first opportunity to significantly change the rules and regulations of the public pension plan system since it

began in 1966. Therefore, I caution Members that when we pass this legislation we must attempt to ensure that it is tailored for the needs of the emerging generation that will be entering the workforce. I am looking particularly at the pages in the House who will be in that workforce in the next several years. Earlier, I spoke of the emerging work patterns in this country. It appears that more people will find themselves in and out of the workforce, seeking retraining as a result of working in industries that will become obsolete.

Another emerging work pattern concerns work sharing or part-time work. This, combined with an apparent decrease in union membership in this country, indicates that the Government should be careful that it brings forward legislation that will ultimately protect the Canadian worker. The participation of Canadian workers in a union has significantly decreased between 1961 and 1981. When one considers the emerging entrepreneur class in this country, the majority of jobs being created are in companies that employ 20 people or less. These employees will be primarily non-unionized and the trend lines indicate that the owners of those enterprises will be women. Furthermore, women who enter the workforce do so on a work-sharing or part-time basis. Therefore, we should be very careful with the definition we use for "part-time" because it will have a significant effect on women entering the workforce. I hope that the committee accepts the recommendations of the task force with respect to the issue of part-time work and workers. We will have ample time to call witnesses on this issue in the committee.

A royal commission on part-time work was commissioned in the latter part of 1982. It reported to Parliament and made many recommendations with respect to benefits. If that emerging work pattern which I have described comes into being, it is important that the benefits that are made available to full-time workers are equally accessible to part-time workers, otherwise I suggest that we would have failed to do our job properly.

● (1600)

When I talk about the need for information disclosure and employee participation, I want to commend the Government because I think that is an excellent part of the legislation. Union workers and all other workers, even those not covered by union contracts, indicated to the all-Party task force on pension reform the need for information dissemination to the workers. I talked earlier about the fact that no legislation defines to whom the pension assets belong, why that is such an important definition and why it has to be ascertained. I believe that for too long a lot of employees have not had access to information about the actual extent of the funds which are kept in pension plans which have been used by employers for other purposes.

I agree that our track record when we were in Government left a lot to be desired in terms of pension reform. I suppose the fact that we failed to act on pension reform until 1984 was due largely to the fact that there was not a consensus in this country as to how we should undertake pension reform. That having been said does not take away from the fact that up