

Members' Retiring Allowances

the effect of imposing any greater burden on the pension fund if it is worked out on an actuarial basis.

Mr. Low: I think the government is acting wisely in bringing in this bill making provision for some ceiling on the amount of the pension. I believe that is a matter every hon. member was anxious about at the time of the passing of the other bill.

I am afraid I put my first questions rather badly, or at least one of them. The purpose for which I framed the question was to get the information accurately on the record, because I knew there had been a good many misapprehensions about the members' retirement allowances and that some of the press had scattered across the country stories that were just not true.

In reply to the hon. member for Peterborough, let me say that what I meant to get on the record was this, putting it not in the form of a question but of an assertion. I think it can be shown that this is the only contributory retirement allowance scheme in Canada that has the means test applied to it as far as the old age pension is concerned. Mention might be made of some of these other schemes, as has already been done, but they are not contributory schemes. This one is. I think I am quite correct in saying that this is the only contributory retirement allowance scheme in Canada where the means test is applied so far as the universal old age pension is concerned.

With regard to the extension of the program, may I say that I think we should study a possible extension, with a view to securing some benefits for the widows of members who pass on. I believe any scheme that is worthy of enactment in the House of Commons is worthy of an extension of that kind, and I certainly would support some such arrangement. When I say that I am not suggesting by any means that the government should put up any more money; but surely we ought to give careful study to an extension to cover the widows of members of the House of Commons.

I want to say that we support wholeheartedly the amendments to the act as they are now before us.

Mr. McIvor: I have supported this measure from the beginning. There is one thing the general public does not understand. When a man has qualified, as far as the number of sessions he must attend is concerned, the general public think he will get the pension. As the hon. member for Rosetown-Biggan said, he cannot get the pension until he has paid in the \$4,000 or \$5,000, according to the length of time it takes him. I should

like to ask the Acting Prime Minister this question. If a member has served his time and is out in the open, will the government lend him the money to make the back payments?

Mr. Howe (Port Arthur): The provision now exists that if a member qualifies for the pension, the government will deduct from the pension due him an amount that will cover the payments and the interest on the payments for those past services. It means that the member will have to wait a while before getting his pension but, if he lives long enough, he will get it in the end.

Mr. McIvor: I thank the minister.

Mr. Howe (Port Arthur): I might just say a few words in reply to what has been said thus far. As hon. members have said, the pension plan really originated with the private members of the House of Commons. It was brought to the government by a group of private members and was then referred to the banking and commerce committee. The government asked the committee to decide one thing in particular. Was the plan actuarially sound? We were told that it was sound. We have not had much experience with the working of the plan. Results to date show that it is rather better than actuarially sound, but that is only based on one year's operations.

I might say that to give the option to divide the pension with the wife would put quite a strain on the fund. Judges are permitted to do so, but we know something of the cost of that concession in their case. We know that it is an expensive business. That would hardly work, although I might point out that in effect the retiring allowance makes it possible for a member to provide for his wife, since he can set aside a thousand dollars each year of his pension and with it buy insurance protection for his wife.

This plan is different from most, in that a man can qualify for the pension at the age of 45 if he starts his parliamentary career at the age of 28, and we have had several members in the house who were 28 or less. An hon. member might find it desirable to marry a woman ten or fifteen years younger than himself.

Mr. Macdonnell: Not at 28.

Mr. Howe (Port Arthur): No, but he might marry later.

Mr. Lennard: They just do that in the other place.

Mr. Howe (Port Arthur): Nevertheless I think hon. members will agree that with our present knowledge of the pension plan it would not be wise to attempt to revise its