

take care of those under the Retirement Act. Part III takes care of those under the Superannuation Act; and part IV takes care of those who are under no scheme. This clause simply points out what part II covers.

Sir HENRY DRAYTON: Under the first thought cannot officials come in even though they are not new entrants? We have officials who are not under any of these schemes.

Mr. MALCOLM: Yes part IV covers all those.

Sir HENRY DRAYTON: Will it cover everybody that is in the service?

Mr. MALCOLM: Yes, every one who is permanent in the service and not contributing.

Section agreed to.

On section 16—Election to become contributor.

Mr. LeSUEUR: I should like to have one point made clear. If a civil servant is under the Retirement Act I assume he could withdraw the funds to his credit plus the regular rate of interest allowed. Can he start under this new scheme from that date?

Mr. MALCOLM: A civil servant who remains in the service can elect to come under the superannuation fund, or he can continue in the service under the Retirement Act if he chooses.

Sir HENRY DRAYTON: In connection with this same clause, the present fund I think is in the consolidated revenue fund is it not?

Mr. MALCOLM: It is a separate fund, I understand.

Sir HENRY DRAYTON: We had a question put on the order paper and to the best of my recollection we were told it was part of the regular fund. It is a sub-account of the consolidated revenue fund, is it not? It is all in the general account.

Mr. MALCOLM: But in a separate account.

Sir HENRY DRAYTON: It is just separate in this way, and I want the actuary to correct me if I am wrong; this is what I got in answer to the question asked some months ago: It is not separate in that there is an account which shows certain figures; it is not separate in that there are investments or anything of that kind. It absolutely forms part of the consolidated revenue fund.

Mr. ROBB: My hon. friend is right.

Sir HENRY DRAYTON: As it is already in that fund it does not seem to me that this wording works out properly:

In the event of his so electing there shall be transferred to the consolidated revenue fund the amount standing to his credit in the Retirement Fund.

It is there now, and it ought to be no more to the credit of the consolidated revenue fund than it is now. It ought to go to his credit in connection with the new annuity fund that we are creating.

Mr. CHEVRIER: You could not change the name of the fund, the Retirement Fund has been created by law. This is simply a change in book-keeping.

Sir HENRY DRAYTON: That is all it is. It is a change in book-keeping but I think it should be correctly stated. I just want the minister to follow me for a minute. The Retirement Fund is in the consolidated revenue fund now. There will be a new fund created which shall also be a part of the consolidated revenue fund. That new fund will be the fund which we will create with the employees under this bill. What we are saying here is that the amount to the employee's credit in the Retirement Fund shall be transferred to the consolidated revenue fund where it now is. It seems to me what really was intended was to transfer from the old fund, which forms part of the consolidated revenue fund, to the new fund which in turn will form part of the consolidated revenue fund. This section does not say that.

Mr. ROBB: My hon. friend is right but in the records it appears there now as in the Retirement Fund and I should think this language would be correct when we are making the transfer.

Sir HENRY DRAYTON: If my hon. friend is going to obey this act he will have to have another fund, which he can call anything he likes, but which will form part of the consolidated revenue fund. I know that is intended but this language does not convey the intention. In saying that I know I carry with me the judgment of the chairman of the special committee.

Mr. MALCOLM: I quite agree with what my hon. friend says. I think the wording would be clearer if the sentence had been phrased "There shall be transferred to superannuation fund account from the Retirement Fund account," or something of that sort. I think the wording should be as follows:

There shall be transferred to Superannuation Account No. 5.