

Government Orders

We put forward an amendment to ensure that the government consult interested parties about regulations, in particular organizations representing spouses or former spouses. Again, that was defeated.

Did the government listen to suggestions made by us in committee with an open mind? Did it agree that fairness is an objective that we should all seek? It would appear not, since it defeated all of our amendments and all the amendments that were proposed by the witnesses.

We called on the government to bring the Public Service pension regime into line with the standards established by the pension benefits standards legislation, introduced in 1985 by this government.

We told it: "Abide by the law, abide by your own standards that you imposed upon the private sector". The pension benefits standards legislation introduced in 1985 established the minimum standards that private sector employers have to honour in managing their employee pension plans. One of the main provisions of the pension benefit standards legislation was to ensure that private sector employers observe the 1966 Canada Pension Plan rules regarding widows' pensions. These rules state that widows must receive a minimum 60 per cent pension. This has been part of our law for 25 years under the CPP. It became a requirement for private pension plans five years ago.

However, under the Public Service pension regime widows receive 50 per cent. Bill C-55 makes no effort to change this. Are the Tories concerned about the large number of older women in Canada living in poverty? Why is it that a public servant is entitled to only 50 per cent and all the others are entitled to 60 per cent by legislation?

It is clear to me that the government should treat its own employees according to the rules it has established for other pension plans. It is only fair to do so.

In 1985 the President of the Treasury Board said the Public Service pension regime would meet the rules of the Pension Benefits Standards Act. I was here when that statement was made. Why did it not happen? Why can't this Conservative government be fair to its own public servants? It is no wonder that many public servants are suspicious of the government's intentions

regarding their futures and their pensions, and have serious hesitations about this legislation.

Public servants do not trust the government's intentions. Many are worried about the government's management of their own pension fund. Some even leave the Public Service before their pension fund is "locked in", so they can cash it out because they do not trust the government.

Once again, in the management of this pension plan the government does not follow the rules it has established for other pension plans.

The most recent report of the Auditor General sheds light on this issue. It notes that the four key standards established by the Pension Benefits Standards Act are relevant to the Public Service pension regime. Those four conditions are:

1. An employer ensures that the pension fund moneys are held in trust for the members and former members of the pension plans;
2. A pension fund shall be administered by a board of trustees pension committee, one member of which shall be a representative of the employees;
3. The administrator shall have a clear fiduciary responsibility for the fund;
4. The fund shall be prudently invested.

These four criteria do not apply to Public Service funds.

• (1700)

The report notes that these standards are "intended to protect the interests of plan members by ensuring that meeting pension promises is not dependent on the good will of employers". This government acts as plan sponsor, custodian, trustee, administrator and investment policy maker for its Public Service pension fund. This violates the standards established by the Pension Standards Benefit Act, an act of this Parliament, a bill of that government and it does not follow it.

The government borrows from the pension fund to finance its own needs at rates it sets itself. The member from Ottawa West mentioned the amount. It is above \$71 billion. These rates are below what other pension plans earn. The difference in return, and it is not me saying it, Mr. Speaker, it is the Auditor General of Canada, the bookkeeper of this country who says it, has varied on average from 1.5 per cent to 2.3 per cent between 1959 and 1990 from plans which were market invested.