

No. 171 be amended by adding thereto immediately after the word "was" in line 20 the word "not".

Amendment agreed to.

Section as amended agreed to.

On section 3—Contributions.

Mr. ST. LAURENT: There is an amendment to this section, deleting the words "first day of October, 1944" wherever they appear and inserting in lieu thereof the words "fifteenth day of August, 1944," because it is intended that the act shall operate from August 15, 1944.

Mr. MICHAUD: I move accordingly.

Amendment agreed to.

Mr. KNOWLES: Are we carrying this whole section, which covers several pages, or are we taking it subsection by subsection?

Mr. ST. LAURENT: If the hon gentleman wishes them carried separately I would have no objection.

Mr. KNOWLES: I wish the minister would point out, so that we may identify it definitely and not miss it, the section which gives those now under the retirement fund the right to transfer.

Mr. ST. LAURENT: We have not yet come to that. In these subsections we give those who had service prior to appointment the right to bring in that service by making the appropriate contribution. The transfer from the retirement fund to the superannuation fund is dealt with on page 12 of the bill.

Section as amended agreed to.

On section 4—Regulations by governor in council.

Mr. NEILL: Would the minister deal with one point; I have no doubt it is just a matter of explanation. I understand that any person who decided to come under the superannuation act when it was introduced originally was permitted to do so by paying the required sum of money, with interest at the rate of four per cent?

Mr. ST. LAURENT: Yes.

Mr. NEILL: And that later on, around 1939, that rate was increased to five per cent?

Mr. ST. LAURENT: No; it is still four per cent.

Mr. NEILL: Then the rate of contribution was increased, was it not?

Mr. ST. LAURENT: The contributions, as a result of the report of the committee of this

house, in 1939, were left at the same rate for male employees earning \$1,200 or less, increased to 5½ per cent for male employees earning from \$1,200 to \$1,500 and to 6 per cent for those earning more than \$1,500.

Mr. NEILL: This is the point I wish to make—

Mr. ST. LAURENT: And they were left at 5 per cent for female employees.

Mr. NEILL: It always comes down to an individual case. Supposing the man I am thinking of elects now to come in under the plan. Of course he has a lot of back years. Will he have to pay the original 4 per cent interest on the back money, or will it be increased to 5 per cent—or whatever the rate is?

Mr. ST. LAURENT: It will be at the increased rate. We shall come to that section later on.

Mr. NEILL: Not for the whole period?

Mr. ST. LAURENT: Yes; that was the committee's recommendation.

Mr. NEILL: And that is the way it will be?

Mr. ST. LAURENT: Yes; that was the recommendation of the House of Commons' committee. It was found upon investigation that the rates were not sufficient, and in order to make the fund solvent and keep it solvent it was necessary to increase the rate. The committee felt at that time it would be improper to take in any more at a rate that had proved to be insufficient.

Mr. KNOWLES: Was it necessary to change the date October 1 to August 15 everywhere it occurred?

Mr. ST. LAURENT: Everywhere they occurred in section 3. There is only one place we shall leave the provision for October, and that is in section 11C at page 10. That is done because there are still two or three provincial employees who have not yet been transferred, and we want to leave that open until October.

Mr. KNOWLES: Was the amendment an omnibus to change them all?

Mr. ST. LAURENT: It changed all those in section 3. The hon. member will notice that section 3 changes four sections of the original act.

Mr. KNOWLES: Running from page 2 to page 8.