

Supply—Finance

civil servants who in January, February or March of this year worked alongside each other, did exactly the same work, were classified in the same way and so on, but because one of them retired before July 1st he does not get the increased pay that was awarded retroactive to last October or whatever the date was. But the person who is still working or still in service gets the increased pay on a retroactive basis. In both cases the period under consideration is a period when both of these individuals to whom I am referring were working.

I think it is completely unfair to deny these increases retroactively to people who have since retired or may have left the service for any other reason. After all, it is not the fault of the civil servants concerned that the making of the increases was delayed so long. In this respect both governments are the same. They both took a long time to make the decisions with regard to these increases. I will give the government credit for making them retroactive once they made the increases.

Mr. Nowlan: It was not a very easy thing to do.

Mr. Knowles: I grant it was not an easy thing to reach a decision as to what the increases should be.

Mr. Gordon: I hope the hon. member is not suggesting the government took a long time to make this decision. We made it almost immediately.

Mr. Knowles: You mean the decision to make the effective date July 1?

Mr. Gordon: Well, that was not what I meant.

Mr. Knowles: I can remember that at least as long ago as last December I was asking the hon. member for Digby-Annapolis-Kings when he was over on the other side if this provision was not going to be made retroactive, and he was giving the matter consideration. The present Minister of Finance gave the matter consideration, and finally in June or July we got word that it was not possible to make it retroactive. I do not know who it was who talked to me about this just in ordinary conversation, but I know one of the arguments put up was that it was difficult to find some of these people. They have retired and left the service and in some cases have moved away. It would not be fair to pay some people and not to pay other people. Some of them might have died in the meantime. So the argument goes. My colleague, the hon. member for Burnaby-Coquitlam, says it would not be much trouble finding those who are still alive. If you put an ad in

the newspaper that there was money available, people would turn up very quickly.

All facetiousness aside, it does seem to me that this is a grossly unfair decision to make, to cut out those people who have left the service from getting their increases on a retroactive basis. I have an uneasy feeling that they are looked upon as a group of people who are out now; they do not have any particular pressure to exert. They do not have any bargaining power that the civil servants have—which is not very much. I hope they will have more when they get collective bargaining. These retired people are a group of has-beens. It is a case of their not being able to exert any particular pressure, so we cut them off. Out of sight out of mind. They do not get the increase.

As I say, I think it is a most unfair practice. The minister admitted several times on orders of the day that it was a problem which was being studied. I hope even yet the government will find a way to make these increases available to those people who have retired on a retroactive basis to cover the period when they were at work.

The other point I want to make, and perhaps it will lead to a question or two, relates to what the situation is going to be in the future. One always has to look at these \$1 items and realize that we are not only making a decision for the present, but that we may be setting a precedent that will last for a long time. I recall that away back in 1932 the cabinet ministers received their motor car allowance, instead of a car and chauffeur, by means of an item in the estimates. This practice was followed until this year, for 31 years, on the basis of an item that was passed in the estimates of 1932. I say, therefore, we are settling for the future what is going to happen when increases are made. I should like to know what is going to be the retroactive period next time. I think the retroactive date for the last increases was October?

Mr. Gordon: No, it was July 1, 1961, if I remember correctly. They were taken up in groups and some were studied early but the last ones were October, 1962. If the principle which is being suggested were implemented, it would have to go back to July 1, 1961, I think.

Mr. Knowles: All right. Here are people who have money coming to them for as far back as, I would say in terms of justice, two years. They are being denied that and a cut-off date is being put into this vote. In addition, we are also, it would appear, making regulations for the future, covering the situation in the future. Is it the implication that people can go through this two-year cycle