

Your Committee further recommend that careful consideration be given by the Management and by the Board to the question of closing such of the offices, both passenger and freight, as have not achieved satisfactory results, and also of co-operating with other Railway systems by joint arrangement so as to effect as much saving as possible.

12. Pensions.

A Memorandum respecting the various Pension schemes in effect was submitted to your Committee.

On December 31, 1931, there were 2,476 retired officials and employees on the Pension list and the total Pensions paid for 1931 amounted to \$1,248,000.83.

These Pension systems comprise:—

- (1) The Intercolonial and Prince Edward Island Railway Employees Provident Fund, which is still in force.
- (2) The Grand Trunk Railway of Canada Superannuation and Provident Fund, scheme, closed in 1907 and the presently subsisting Grand Trunk scheme.
- (3) The Canadian National Railway Pension scheme, set up in 1929, and in force at the present time.

All of the above mentioned schemes have legislative sanction and authority, but in as much as in a return filed with your Committee it appears that during the past five years numerous employees received Pensions in excess of what the Pension schemes applicable to such employees call for your Committee are of opinion that attention should be called to this apparent excess of jurisdiction.

Your Committee are of opinion that the whole situation respecting Pensions should be reviewed, not with any view to reducing statutory Pensions but with the view to putting the Pension Schemes on a sound economic basis, including, if deemed desirable, the inclusion of the principle of contribution.

Your Committee are of opinion that in as much as the Pension schemes now in effect are statutory the payments of amounts in excess of the amounts called for by such schemes are not justified in principle, and your Committee recommend that the attention of the Board of Directors be called to this situation with a view to taking such action in the premises as may be deemed desirable and just, having regard to the fact that the principle of Pensions is an established principle and crystallized into Legislation.

13. Your Committee realizing that the exercise of political patronage or influence in the operation of this publicly-owned enterprise would do great injury recommend continued vigilance on the part of all concerned, to avoid the introduction of practices so detrimental to the public interest.

14. Your Committee recommend that the proceedings and evidence taken be printed as an Appendix to the Journals of the House, and that 700 copies be printed in Blue Book form, 500 in English and 200 in French.

15. Your Committee are glad to state that the report is unanimous.

A copy of the minutes of proceedings and evidence is tabled herewith.

(For Minutes of Proceedings, Evidence, etc., accompanying said Report, see Appendix to the Journals, No. 8)