

Salary Deduction Act

instead of twice a day as stipulated in the contract, and if there is any reason for such curtailment of the service?

Hon. H. H. STEVENS (Minister of Trade and Commerce): I shall look into the matter.

SALARY DEDUCTION ACT

PROPOSED CONTINUATION OF DEDUCTION OF TEN PER CENT FROM INDEMNITIES AND SALARIES

Hon. E. N. RHODES (Minister of Finance) moved the second reading of Bill No. 38, to amend the Salary Deduction Act, 1932.

Motion agreed to, bill read the second time, and the house went into committee thereon, Mr. Sullivan in the chair.

Section 1 agreed to.

On section 2—Act to continue in force until March 31, 1934.

Mr. RHODES: When in committee on the resolution on February 24, the hon. member for Gloucester asked a question. I replied that when we reached committee stage on the bill I should be pleased to answer. Probably at this time the hon. member would be good enough to repeat his question.

Mr. VENIOT: My question was this: If a civil servant retires in 1934 or 1935 will his pension be based on full salary, plus statutory allowances for 1932, 1933 and 1934, or will it be based on salary minus ten per cent, and minus statutory increases to which he would be entitled if this law had not been passed?

Mr. RHODES: The hon. member will recall that on the former occasion I answered part of his question. The superannuation of a man such as he has described would be based upon the authorized salary he had received at the time of his retirement. As a matter of fact I find upon inquiry that in actual practice there are very few, if any, cases where civil servants retire before reaching the maximum of their classes.

Mr. VENIOT: Supposing a civil servant should retire through illness, but has not yet reached his maximum, how would the minister handle the case?

Mr. RHODES: I have no doubt the hon. member is labouring under the misapprehension that under the law a civil servant is entitled to his statutory increase, as a matter of course, That is not the case. There must be a recommendation from the department, and approval by the Civil Service Commission. There have been cases where statutory in-

[Mr. Casgrain.]

creases have been withheld not only from individuals but from the whole service. In the year 1896 the government of the day followed that practice. It passed a regulation to the effect that there should be no statutory increases for the year.

Mr. VENIOT: I am well aware of the fact that statutory increases cannot be granted except on recommendation. But in a case where there is a recommendation, and there is nothing against the individual, that individual is entitled to a statutory increase. In the present instance however statutory increases have ceased, and of course the minister is quite correct when he states there need be no recommendation to council to do away with them. However withholding the statutory increase is an arbitrary measure through which the man's salary is very much decreased. I should like to know this: Will the statutory increases which he did not receive for these years be considered when superannuation is under consideration?

Mr. RHODES: The answer is no. The hon. member for North Winnipeg (Mr. Heaps) submitted a question concerning the number of employees affected. While in committee on the resolution I did not wish to give an offhand answer, but I can tell him now that the number is 60,000.

Mr. HEAPS: Has the minister the classifications?

Mr. RHODES: I have before me the classifications submitted to the Beatty commission. They are as follows:

\$1,200 or less.. . . .	16,408
From \$1,201 up to \$2,000.. . . .	22,745
From \$2,001 up to \$3,000.. . . .	6,123
From \$3,001 up to \$4,000.. . . .	1,575
From \$4,001 up to \$5,000.. . . .	461
Over \$5,000.. . . .	215
Salary not stated.. . . .	34

To that total list must be added about 13,000 persons including revenue postmasters and casual employees.

Mr. ILSLEY: The minister was to give me some information about those employees who are paid partly in cash and partly in kind.

Mr. RHODES: I do not know that I have any information to add to that which I gave the hon. member when we were in committee on the resolution. I find the answer I gave on that occasion is correct. Where a allowance is regarded as a portion of salary and is so treated for purposes of superannuation, then that allowance, whether it be in kind or in money, is subject to reduction.