

I should have asked him why the bill was not amended to include it.

Then the question arose as to where the money comes from, which was the main contention. I asked this:

Senator Marshall: From where does the money come to finance this bill? Does it come from the Consolidated Revenue Fund or from the pension plan fund?

Mr. Hagglund: The money comes ultimately from the Canada Pension Plan contributions that are paid in by employers and employees accumulated in the Canada Pension Plan account, invested in the Canada Pension Plan investment fund, accumulating some earnings and flowing back through the Canada Pension Plan account to beneficiaries. So the track of it is a little more complicated than just a yes or no answer, but it flows into and out of the accounts of the Government of Canada without actually forming something that is backed or subsidized by the general revenues of government.

That is something that John Diefenbaker used to call obfuscation.

It is backed entirely by the employer-employee contributions and the investment fund earnings.

Mr. Fortier: The short answer is CPP pays for all expenditures.

Mr. Marshall: Including administrative costs.

Senator Marshall: Then that is my argument, I think.

Mr. Hagglund: I am not sure, technically, what it would do to that argument.

Senator Marshall: I am sorry to take up the time but it is an important issue. The Private Member's bill to which I was referring, Bill C-280, has no Royal Recommendation looking for funds. The question is where the funds for that are coming from when a private member can introduce a money bill in the House of Commons and have it approved there, and a similar bill . . .

and I am referring there to my Bill S-5

. . . is turned down in the Senate because it is a money bill.

Mr. Hagglund: It is way beyond our legal expertise to get into the question you are raising and I am not sure that our answers really affect your thinking on that point. You would have to consult with people who—

He mentioned the lawyers, but I do not know why it is not included in the evidence.

Senator Marshall: I realize that but you mentioned that up to a point it comes out of the pension fund and then there is some relationship with the Consolidated Revenue Fund.

Mr. Hagglund: Yes, sir.

● (1450)

So, honourable senators, there is certainly some confusion as to the difference between the two bills. One introduced in the

House of Commons with no Royal Recommendation, asking for money, is approved, and the one not asking for money, Bill S-5, is turned down. I am sure you will deal with that later.

Senator Frith: I propose to adjourn the debate on this bill. The debate here at third reading has raised the question of severability, a question that we on both sides have had to face from time to time. That is a bill where we support one part but have difficulties with other parts. It is a bill that deals with an aspect of a subject yet fails to deal with another aspect. This question, as I say, comes up frequently in Parliament and, in fact, was the occasion, as we can remember, for some two weeks of bell ringing by the Progress Conservative opposition in the other place, in response to the Liberal government's refusal to sever an energy bill.

In this case, the Senate unanimously supports certain aspects of this bill, the principal aspects, I suppose we could say. It seems, however, that there are, at least, the seeds of potential unanimity on the aspects of the bill that we have reservations about. The first appearance of that apparently bipartisan or unanimous concern is contained in the report that was tabled by the Chairman of the Committee, Senator David. In the *Minutes of the Proceedings of the Senate* of yesterday, December 10, 1991, at page 460, at the end of the second paragraph of his report, Senator David says:

"Given the complexity of the subject matter of the bill, and the time given for its examination, the Committee will want to give further consideration to this matter in the early period of the legislation's application . . ."

And I now underline the following words:

" . . . including the concern of the division of spouses' credits and matters relating to disability."

My suggestion is that we adjourn the debate. We heard today, as I say, an impression of widely-shared concerns. Certainly, I can speak for our side, as did Senator Bosa, that we support this bill, but we find today that there is a serious weakness in the bill, an opportunity missed to solve a long-standing serious problem. We were told today that Senator Marsden has the feeling that Senator Kinsella has some of the same concerns. Therefore, I propose that we adjourn the debate until tomorrow in the hope that perhaps we can agree on a unanimous addendum to Senator David's report that would draw a tighter focus on the weaknesses described by Senator Marsden, and in the hope that a message can be sent to the other place showing our support for the bill's positive principles and our serious concern about the points raised by Senator Marsden, apparently shared by Senator Kinsella and, as far as I know, Senator David as well.

I therefore move the adjournment of the debate in the hope that someone better informed than I—Senator Marsden, Senator Kinsella, the Chairman of the Committee—might explore this possibility and let us know tomorrow whether we can add another paragraph to Senator David's report accordingly.

On motion of Senator Frith, debate adjourned.