

State Pensions

The review of the pension legislation by the committee was very extensive. We had technical witnesses and representations from outside organizations. There was no attempt to curtail discussion. Members present may not have liked the answers they received, but I believe they will concede we at least tried to answer their points.

In looking at the operation of the pension fund, two points must be considered. The first is a very much enlarged liability as a result of the escalation provisions; second, an increase in income as a result of the greater amount of interest which is credited each year with the average yields which have risen under the formula applied by the government. It is impossible to predict what the ultimate outcome will be. The increase in yields started at 4 per cent and is currently in the area of 7 per cent. This has provided a measure of protection within the financial arrangements that exist.

There is no question that this House and subsequent governments will have to look at the very serious problem of what happens to the operation of an unlimited escalation formula without any cap on it whatsoever. It is my hope and belief that, with the adoption of this amendment, the government will develop a policy for subsequent years which would be able to indicate who can expect, on request, to continue beyond the normal date of escalation.

No civil servant is losing anything by the adoption of this formula. The rights which they have now for December 31 retirement are still there. Those who have planned their retirement will no doubt make the plans they have anticipated over a period of time. The operation of this amendment attempts to bring some degree of rationality in a number of cases in respect of the very anomalous situations that have developed whereby a civil servant will get a greater pension by retiring prematurely on December 31.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I wish to ask one facetious question with regard to the retirement of members of parliament. Can the Parliamentary Secretary to the President of the Treasury Board (Mr. Francis) assure us that from now on elections will be held in December, as the retirement fund of some members may not be as high in January, February, or later? The terms the parliamentary secretary has outlined will not likely apply to the members of parliament pension retirement fund, but the effect would be the same as for the escalator clause which, in effect would be applicable.

Mr. Francis: Mr. Speaker, no doubt minority governments will take heed of the advice offered by the hon. member for Timiskaming (Mr. Peters).

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I wish to make one comment. The Royal recommendation suggests that this act is intended to provide equality of status for males and females under the Public Service Superannuation Act. I suggest that this takes one step in the direction of providing equality. I would not like the moment to go by unrecorded that this was a full equalization between the males and females.

The step it does take is worth remarking. It makes equality of the contributions to the superannuation fund by male and female employees of the public service. The one area where it does not provide equality for males and

[Mr. Francis.]

females is the survivor aspect. If, for example, the survivor who is not the contributor should be drawing 50 per cent remarries, she loses her superannuation. This does not provide full equality. The fact should be recorded in *Hansard*.

Mr. Speaker: Is the House ready for the question?

Some hon. Members: Question.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion No. 9 (Mr. Chrétien) agreed to.

Mr. Sharp (for Mr. Chrétien) moved that the bill be concurred in.

Motion agreed to.

[Translation]

Mr. Lambert (Bellechasse): Mr. Speaker, I rise on a point of order.

Mr. Speaker: The hon. member for Bellechasse on a point of order.

Mr. Lambert (Bellechasse): Mr. Speaker, I simply would like to take this opportunity to draw the attention of the President of the Privy Council (Mr. Sharp) on the requests contained in the amendments I have proposed.

Mr. Speaker: The hon. member has simply to wait till the motion on third reading of the bill is put.

[English]

When shall the bill be read a third time?

Some hon. Members: By leave, now.

Mr. Sharp (for Mr. Chrétien) moved that the bill be read the third time and do pass.

[Translation]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, as I said a moment ago, I simply want to draw the attention of the President of the Privy Council (Mr. Sharp) on the nature of the amendments I moved. Since there are two points subject to revision and that cannot be done by a member of the House, it must absolutely come from the government's side. I would like to request from the President of the Privy Council that he bring these questions to the attention of his colleagues in the cabinet, when amendments to the acts we have discussed in the light of Bill C-52 will be presented again, and that the considerations I offered to the House be taken into account.

• (1620)

[English]

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wish to make a few brief comments, Mr. Speaker, on Bill C-52 at third reading. I must say I thought the observation by the parliamentary secretary, that this matter had been before the House and before the appropriate committee for a sufficient length of time to warrant an assumption that the appropriate attention had been given to it, was scarcely