

because I think that is one area of serious concern which must be expressed in this House and in committee as well. There will be a one-shot repayment under the provisions of this bill of some \$3.5 million. The increase will involve \$800,000 annually for this increase in judges' allowances.

The bill provides for the increases outlined by the Minister of Justice, and I think it is important for us to note that the amount being proposed by the government exceeds the amount proposed by three committees or commissions which were established to review judges' salaries. I refer to the Casgrain committee which reported to the Canadian Bar Association, the Dorfman report which was referred to by the minister and, most recently, the statements made by the judges themselves in their committee in which recommendations were made by them with respect to the amount of increase which would be appropriate.

I think it is important for us to have full, adequate, and reasonable compensation for our judges. I do not take exception to that, but I must draw to the attention of the House, and express my concern about, the provision relating to pensions.

I might give some background of what has transpired over the course of the last few years. What is being proposed here is the abolition of any contributory element with respect to judges' pensions and benefits. We are being asked by this bill to change a situation which was brought about in 1975. At that time federally-appointed judges received, at the will of the governor in council, upon retirement pensions to which they did not contribute. Under the minister of justice at that time the government brought in amendments to the Judges Act, to supplementary benefits provisions, to ancillary provisions and to ancillary legislation whereby judges appointed after 1975 would contribute toward pensions or annuities which they would receive on retirement.

As a result, we have two classes of judges. One class is composed of those appointed before 1975, and the other is composed of those appointed since that time. Quite frankly, the expedient the government is now undertaking is that rather than having everyone on one course of action which involves a contributory pension, the government is suggesting that we revert back to the situation which obtained in 1975 by which there will be no contribution to pensions by judges except for a 1 per cent levy which will go toward the payment of the indexation provision.

● (1640)

I think it is important, therefore, that we consider this part of the bill, because what the bill purports to do for the judges and for those other officers who are affected by the Judges Act, is to put them into a unique position. I think it would be important for us to compare this with what is happening in other executive positions, whether it be in the public service, the armed forces, the RCMP or the House of Commons and the Senate. I just want to emphasize that in the circumstances in which we are now required to address this bill, judges will be in a somewhat different position from practically everyone else who is paid out of public funds.

### *Judges Act*

In terms of public servants, pension benefits are accrued at the rate of 2 per cent per year of service, multiplied by the average salary in the best six consecutive years. The maximum rate of a pension is 70 per cent, which would be earned after 35 years of service. The result is that a public servant who has reached the age of 55, may retire with a 60 per cent pension if he or she has served 30 years. A public servant who has reached the age of 60, may receive a partial pension if he or she has served at least five years, with the pension rate equal to 2 per cent for each full year. That is to say, ten years equals 20 per cent of the average salary in the best six consecutive years.

Turning to the armed forces, the period of service required to retire with an immediate annuity or pension varies with rank, with less service required for enlisted men. A general, for example, may retire with a 60 per cent pension at age 55 if he has 30 years of service. An enlisted man may receive a 40 per cent pension at age 40 if he has served 20 years. Pension benefits are accrued at the rate of 2 per cent per year and are based on the average of the best six consecutive years.

In the RCMP, lower ranks may receive an unreduced pension after 25 years of service. Officers with 35 years' service may receive a pension at the age 55. Pension credits earned at the rate of 2 per cent for each year of service are based on the average of the best six consecutive years of service.

With regard to members of Parliament and senators, members earn pension benefits related to their best six consecutive years' average indemnity at the rate of 3.5 per cent in each of their first ten years. I do not know what the best six years are, whether it is in terms of their production or in terms of salary, but I assume the latter is the case. Members of Parliaments' benefits are related to 3 per cent in each of the next ten years and 2 per cent in each of the next five years. An MP serving the minimum six years would thus be entitled to a future pension of 21 per cent of his or her average indemnity. An MP serving two terms, that is eight years, would be entitled to a pension equal to 28 per cent of the average of his or her best six years.

I simply read these statistics to point out that what we are doing is putting the judges—I am not sure the judges themselves are necessarily anxious to be put in a unique and different position—in a situation which is quite different from that of anyone else in the country who is paid from public funds. I understand the argument that judges are, generally speaking, appointed at the height of their income earning ability, and that they tend to be usually appointed later on in their careers and therefore it is difficult for them to get into a properly funded pension plan which can be demonstrated to be actuarially sound, although I should say that judges now seem to be appointed at a younger and younger age. I am not saying that the government has been in power for too long, but perhaps nowadays the older Liberals are getting their reward and the younger ones are now being called upon to be judges.

Having taught at law school for a few years, I often run into former students whom I ask whether they are in their third