

Mr. FLEMING: When it was first proposed that such a committee as this be set up, it was thought that there would be referred to the committee for consideration at this session not only bill C-76 An Act to Amend the Public Service Superannuation Act, but also a kindred measure, the new Civil Service Act.

But later it was decided that that act should not be proceeded with at the present session. However, it may well be that this committee will so much enjoy its work on bill C-76 that it will be ready to be re-appointed at the 1961 session of parliament, DV, to consider the other measure, should it be referred to the committee by the House of Commons in its wisdom at that time.

After giving the matter some further consideration, Mr. Chairman, it did seem to me that there is little of a general nature that I could add to what I said in the house at the resolution stage, and on the motion for second reading, that might be of any assistance to the committee.

So this evening I thought I would just deal with several points, and then you might wish to hear Mr. Kenneth Taylor, deputy minister of finance, who has had a long association with superannuation and who, I think, could give the committee a very interesting account of the history of superannuation legislation of the Canadian parliament.

We have with us also Mr. Hart Clark of the Department of Finance, who has had a great deal to do with the preparation of this measure, and with the actuarial questions which have risen for decision prior to the actual formulation of the legislative proposals.

I should say at the outset that it has been government policy to seek to bring superannuation legislation up to date and to make more equitable provisions through our superannuation legislation for the Civil Service of Canada.

In the last three years we have had legislation pertaining to superannuation before parliament, that is, at the 1958, the 1959, and now the 1960 session. The legislation at the 1958 and 1959 sessions was designed for the benefit of the civil servants who had already retired, and who were already superannuated; but this present measure, of course, is much more far reaching, and applies to those who are now employed on the staff and classified as public servants. It was necessary, before any such measure as this could be introduced, that the actuarial studies and reports which are provided for under the present legislation at five-year intervals should have been completed; and you will recall that, in introducing this measure at the resolution stage, I tabled three reports—which I believe are available to all hon. members of the committee, Mr. Chairman.

These reports—one of them in particular—constitute the actuarial background for the proposals that are embodied in the present bill C-76. I think all hon. members are aware, from the discussion on second reading, that the new scheme pertaining to contributions and benefits has been the outcome of actuarial study. It is considered that to maintain the contributions of female public servants at the existing five per cent, and to increase the existing rate of contributions of male public servants from six to six and a half per cent of salary, will balance the cost of the benefits as they are proposed to be increased by the present measure.

This increase, as hon. members are aware, consists of calculating the superannuation benefit on the basis, not of the average salary over the best 10 years, as provided in the existing act, but now on the basis of the best six years as provided in clause 7 of the bill. This is, I think I may fairly say, a major change in the benefit provided. It has been a matter of discussion in the house from time to time over a period of years, whether it might not be possible to reduce the existing 10-year period.