

*Supplementary Retirement Benefits*

for?"— isn't that the quotation? It is wonderful we have reached the point at which pensions are being escalated by the full amount of the cost of living increase. Wonderful. But it is not good enough. The day must come when pensions are increased by an even better scale such as the wage index or the gross national product. We got awfully close to this when we were dealing with veterans' disability pensions a few months ago, but in the end the government chickened out.

However, it is there, stated as a goal not only by some of us on the floor of the House but in a special report by an important joint committee. This comes to light when older retired civil servants write to some of us and note that civil servants who have succeeded them and who have now retired get a pension higher than the former civil servants got as salary when they were on the job. Many retired civil servants say to me: Doesn't it cost us as much to live in today's society as it costs the ones who retired last year? In other words, they are saying there should be a relationship between pensions and the rate now being paid either for the job those same civil servants did or the rate of pension now being paid. I think the most direct way to go at it is to establish an index based not just on the rising cost of living but on the rise in the standard of living and you can get that in one of two ways, either by relating it to the wage index or by relating it to the gross national product. I hope that as soon as we get this bill through, as soon as we get the principle of escalation by the full cost of living well established, the next crusade to get the cost of living escalated by an even better index will not take as long as this one did.

At some point I think there will have to be more discussion, especially with the representatives of the various public service organizations, about the whole basis of public service pensions. I know that many of the questions which are asked are answerable—questions about the fund and the amount of interest paid on the fund, whether higher pensions could be paid if the money were lent out, and so on—and I know the answers that are given to those questions, for I have heard them so often. But still there is uncertainty among public servants as to whether they are really getting the best pension that their contributions can buy, and I think the least to ask for is a further study of this matter. I think, also, there should be a review of the six-year provision, the provision which says a pension is based on 2 per cent per year of the average salary for one's six best years. Especially in these days, when increases are won a little more rapidly than used to be the case, and when they rise with a little more acceleration, there is an argument for reducing the number of years to five, or four, or even fewer.

I also think a serious look should be taken at the position of widows and at the pensions paid to women generally in the public service. I do not know why society accepts so easily that if a man and wife have lived together and built up their home, and one of them has done the work and the other has stayed at home, the pension arrangement is satisfactory if it provides that if the wife dies first the husband's pension continues at 100 per cent, but if he dies first, the pension for the widow continues at only 50 per cent. Why should it not be the same? Perhaps we will have to work this out and say 75 per cent for each of them, or what-have-you.

[Mr. Knowles (Winnipeg North Centre).]

● (1250)

I sometimes wonder in these days of women's liberation why there is not much more cry about equality in the pension field as between men and women. Mrs. Bird's committee dealt with this point briefly and drew attention to the fact that men in the public service pay 6½ per cent of their income into the public service superannuation fund whereas women pay only 5 per cent. The difference at the other end is that if a man leaves a survivor there is under certain conditions a survivor's pension. But a woman who had paid only 5 per cent into the fund cannot have any survivor at all, whether she is single or married.

I suppose that any call to women to pay the same percentage as men—in other words, to pay 6½ per cent instead of 5 per cent—would not be met with great enthusiasm by women in the public service. But if something were considered by way of survivor's benefits even for single women, for people whom they have helped support and so on, there might be some interest shown. I am just making the point that it seems to me that we are still living in the early 1900's in our concepts of pensions as between men and women, and that one place where we ought to sort this out ought to be in the field of public service pensions.

As I say, Mr. Speaker, I think there should be equality in pensions between men and women. I think the question of who can be a person's survivor should be looked at again, particularly in the case of single persons, whether they be men or women. And I think that the provision about a widow receiving only 50 per cent pension, whereas if a man survives he receives a 100 per cent pension, just is not right. I suppose this is part of the old attitude that a woman, after her husband dies, can try and find somebody else to provide a meal ticket for her and that the poor bereaved husband has to have a 100 per cent pension so that he can pick up another wife and have enough money to keep her. These ideas have gone and I think a good place for some new thinking about the structure of pensions is right in the public service field.

Perhaps even before we get to the position of equality among men and women we ought to give our public servants at least the same provisions that we give ourselves with respect to our own widows. We have our own Members of Parliament Retiring Allowances Act under which, if a retired member of parliament dies leaving a widow, providing she was married to him while he was a member of parliament, her pension is 60 per cent of what his was or would have been, whereas in the case of public servants' widows it is only 50 per cent. I suggest there is a basic unfairness there. I think it is terribly unfair on our part to have provided a 60 per cent pension for our widows but only a 50 per cent pension for the widows of public servants.

These are matters that have to be looked at. Hardly any of the ideas I have expressed on the floor of this House are new on my part, but apparently we have to keep on expressing them in order to get them considered. I urge that all of the various points I have discussed, such as a new escalation formula based on a wage index related to or on the gross national product rather than on the cost of living; a new look at the funding principle; shortening of the number of years on the basis of which a pension is