

Public Pensions Reporting Act

I would like to congratulate the Hon. Member for York-Scarborough (Mr. McCrossan). As he himself has admitted, his Bill is complex, but it is relatively easy to understand if we consider that it includes three major elements, which basically ask the government to provide, through the Department of Finance and the Actuary of Canada, the information required to evaluate public pension funds.

I do not want to go over the three major parts of this Bill, but I think that it would be useful to remember them because the committee will certainly have the opportunity to examine this question further. Section 3 requires that the Chief Actuary of the Department of Insurance review certain public pension plans at least every three years. The second important clause, Section 4, requires the Chief Actuary to file with the Minister of Finance a cost certificate established in accordance with the review provided by Section 3 within 18 months after the review date.

And the third aspect, Clause 5, requires that the Chief Actuary of Canada, who comes under the Minister of Finance, and I quote:

This clause would require the Chief Actuary of the Department of Insurance to file a valuation report with the Minister of Finance at the same time as he files a cost certificate and to follow the standards of the Canadian Institute of Actuaries in preparing the report.

Mr. Speaker, I do not want to dwell on the matter, but I will remind you that since May, 1985, I have had a series of questions, 18 of them, on pages 20, 21 and 22 of the Order Paper as important such as what is the cost, what is the estimated balance of the Armed Forces Pension Fund Account . . . Those are questions which I thought were essential to anyone who wanted to understand the whole issue of public pension funding. I am still waiting for the answers.

But on the other hand, in his answer to one of my questions, the President of the Treasury Board (Mr. de Cotret) said that of course they signed an agreement with the unions under which the Public Service Pension Fund could be managed jointly by a council of twelve appointed members representing both the unions and the employer.

Mr. Speaker, I find it quite acceptable and normal that this Government, which has signed an agreement with its employees, should now share with those employees and Members in this House the basic information that will help assess the costs of those plans.

I therefore find it totally acceptable that the Government should accept the Bill tonight, send it to committee, provide us with the information needed, answer questions on the Order Paper and follow through on its promise to co-operate and manage pension funds jointly with the public servants.

Mr. Speaker, I believe this is a most commendable Private Member's Bill, which seems basically to meet the right to information we feel is essential to good management.

As the Hon. Member for Beaches (Mr. Young) suggested earlier, a simple information proposal that should be forthcoming . . . And I remember that in 1977, when we discussed the

famous Government measure to de-index federal civil servants' pensions, I then opposed that measure, not only because I felt it was unfair, but because the information available was totally inadequate and often non-existent. Governments always seemed reluctant to share their figures with us.

[English]

In conclusion, if information is required to deal with the pension question, I think that information is fundamental in order to assess some of the impact and judge the assumptions that are made. We all understand that these are difficult questions with which to deal. Sometimes the actuaries will say that our assumptions are difficult to come to grips with because they are basically dealing with interest rates in the years to come, inflation rates in the years to come and the increase in the salary envelope in the years to come. The actuaries seem to come to grips with these unknown figures well.

I do not know anyone in the House, except perhaps the Member who introduced the Bill, who could logically and rationally argue how one can accurately state what the inflation rate, interest rates or the salary envelope will be in the next three years. However, that is not for me to argue here. I am not competent to make actuarial presumptions and projections of that nature but I think we should congratulate the Hon. Member for York-Scarborough (Mr. McCrossan) for bringing forward a Bill which answers many of my questions. It will give us information which we require to be able to pass good judgment on these pension plans. Again, I congratulate him and hope that the Government accepts the Bill and passes it with—

[Translation]

—as we say in French, with celerity, and that we will go to committee, Mr. Speaker, and consider this Bill which to my mind is very important.

Mrs. Gabrielle Bertrand (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I welcome this opportunity to take part in the debate on Bill C-255, since it concerns a subject this Government takes very seriously, and I am referring to disclosure of information.

Although a large number of public pension plans are mentioned in this Bill, I want to restrict my comments to its impact on the universal Old Age Security and Canada Pension Plan program, which is a compulsory contributory program.

First of all, regarding the Canada Pension Plan, the proposed changes in present reporting requirements would reduce the time between actuarial reports from five to three years and provide that such reports estimate for every third year of a period of not less than thirty years, the annual cost of contributions to the Canada Pension Plan as a percentage of the total contributory earnings.

In accordance with the present legislation, the Department of Insurance prepares, at least once every five years, a report