

• (1700)

In Britain pensions can be paid to former MPs at 60 if their age and years of service add up to at least 80. Some countries provide reduced pensions to former members if they are retired before the normal pensionable age. The amount of retirement pension required for each year of service is lower than the Canadian rate in Belgium, France, Britain and the United States. It is higher or comparable in Australia and Sweden.

There is quite a wide range in contribution rates as well. Members do not have to contribute at all in Sweden, while the rates are 7.5 per cent of salary in Belgium, 11.5 per cent in Australia, and 1.3 per cent in the United States.

It is difficult to compare group insurance plans in the various countries because of the different social programs in place. Group insurance is paid entirely by the government in all of the countries studied except the United States where the members pay about 50 per cent of their group insurance programs.

Australia and Belgium provide severance allowances to their parliamentarians. In Belgium it is equal to about one month of salary for each year of service and in Australia it ranges from three months salary after one year of service to 26 months after eight years of service.

It is interesting to look at the various allowances available to parliamentarians in Canada and other countries. With expense allowances there is a wide range of practices. France and Belgium have non-taxable and non-accountable expense allowances. In Australia and Sweden this allowance is taxable but work related tax deductions are permitted.

As for travel expenses, Australia, Belgium and Sweden pay for all work related travel by their legislators. In France only the costs of travel between the constituency and Paris are paid.

Most countries have some sort of severance allowance and resettlement provisions to help parliamentarians make the transition to private life. Interestingly, the personal financial situation faced by parliamentarians as they return to private life in France and Sweden has an impact on amounts they are entitled to receive.

From this overall comparison we are neither the best paid parliamentarians at the international level nor the worst. While our pensions may be better than those of parliamentarians in some countries, they are not quite as good as they are in others. In overall comparison we lag well behind our American cousins.

As I said earlier, the Prime Minister has made clear the government's commitment to introduce legislation to change the pension plan. Our party is committed to ending double dipping. I applaud pension reform. I do think it is important for everyone to realize that in terms of overall compensation, Canadian members of Parliament are no better paid than col-

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leagues in most other major western countries and we lag behind a number of countries.

[Translation]

**Mr. Gérard Asselin (Charlevoix, BQ):** Mr. Speaker, the hon. member just referred to the bill on the members' pension fund and mentioned several countries, including the United States. The question we must ask ourselves is this: Are the 205 new members in this House, who have no vested rights in the old plan for MPs, not showing good will by wanting to have a new pension plan for members?

The Canadian government could show Canadians good will in managing public funds by showing its good will, and this is an excellent way to do it, by making us elected members do our fair share by cutting some of our pensions, which are paid for from taxpayers' money. Today the government tends to cut social programs, which affects the most disadvantaged people.

I think that as parliamentarians, with the salary we are paid, of course we work long hours and have many responsibilities, but we are paid for the hours we put in and we must realize what it involves when we decide to run for office.

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I think that when we talk about cutting the fat, the operations of this House and its members, this is an excellent way to show good will and show Canadians that we are ready to do our fair share.

When comparing ourselves with the United States, we must consider the ability to pay. Can the United States afford to pay into a pension fund for their elected officials? With the debt we have in Canada, which forces us to make cuts in all programs, it would be rather outrageous if members' pensions were not affected.

I want to ask the hon. member a question. Would he agree that the government should show once and for all that it is ready to make an effort by cutting the pensions of elected members or at least eliminating double dipping? We have a 24-year-old member. It would be a little ridiculous for him to have a pension for life after six years, at age 30. Would you agree with me that members' pensions should be cut to prove to Canadians that we are ready to do our fair share as members of Parliament?

[English]

**Mr. Bodnar:** Mr. Speaker, I thank the hon. member for the question. It is difficult to disagree with a suggestion that there have to be certain changes in the pension scheme. Obviously that is what we proposed in the red book, one of them being the elimination of double dipping.

Certainly another aspect that has to be looked at very seriously is the age at which pensions do commence. With pensions commencing as they do now, it is probably quite unfair. The age should be raised. The question would be at what age should a