

protection for these people, and again we have another promise from the minister that that situation will be rectified by regulations.

The minister and departmental officials acknowledged many of the problems raised in committee. Mr. Macdonald, the Comptroller General of Canada, told us that Bill C-55 is only the first step in pension reform. We were left with the impression that there are plans for further legislation to deal with the many problems that were discussed. We only hope that when it comes, it comes more quickly than the last pension legislation we looked at, which was about five years ago.

**Some Hon. Senators:** Hear, hear!

**Hon. Gildas L. Molgat (Deputy Leader of the Opposition):** Honourable senators, my colleague Senator Frith has given a very broad review of our position on this matter and has covered the subject extremely well. I want to touch on only one particular aspect, and that relates to the Canadian Forces Superannuation Act.

For some time now, the Canadian Forces have been operating on what we call the "total force concept". The principle here is that the reserve forces and the regular forces are essentially one. That means that the two should be treated equally. However, in this bill that is not the case; the reserve forces are not put on the same footing as are the regular forces.

For some time now there has been a system of "calling out" reserve personnel where they go on a permanent basis—normal, full-time hours—with the regular force. It could be a reserve element, but they are there on a full-time basis.

We find in this bill that where this call-out occurs in the case of someone who has previously been in the regular forces and has been subject to the Superannuation Act, but then leaves the regular forces and joins the reserves, and then goes on call-out, that individual is entitled to the superannuation provisions and can re-enter the superannuation system. Yet, a straight reservist who goes on call-out cannot join the superannuation system.

We find people who have now been on call-out for some years—some for six or seven years, and probably some longer than that—who have been full-time serving members—true, as reservists, but still serving full time—and yet they have no means of gaining access to any pension program.

When the question was asked at the committee stage, we were told that these people on the reserve list probably have other jobs, and they therefore may have entitlement to pension plans other than this one. There may be some in that category, but should we not leave that choice to them? If they are working full time for the army, the air force, or the navy; if they are on a call-out, be they previously regular force or straight reservist, should they not be entitled to exactly the same provisions? Honourable senators, I am unhappy that the act does not provide for a coverage in this regard.

[Senator Frith.]

Honourable senators, I point out to you that under the Public Service Superannuation Act, anyone who—

... is engaged to work on average at least twelve hours a week or such lesser number of hours a week as may be prescribed by the regulations ...

Therefore it could indeed be less than 12 hours per week, if the regulations so provided. Such an individual, under the Public Service Superannuation Act, is entitled to contribute and participate. Where is the fairness here? If you are working for the civil service, you can work 12 hours a week and contribute. If you are in the reserves—and note, again, that we are putting more and more emphasis on the need for reserves in the Canadian military system—and work more than 12 hours a week, you cannot contribute.

Therefore, honourable senators, there is a double standard in the Canadian Forces Superannuation Act regarding call-outs and a double standard vis-a-vis the Public Service Superannuation Act and the Department of National Defence. I submit that this ought to be corrected. It is too late now, and we will not be proposing amendments in this regard. In fact, we cannot propose amendments—at least none that will pass at this point. However, I point out that this unfairness does exist. I hope that when the act is reviewed—and I hope that will be soon—this unfairness will be corrected.

**Hon. C. William Doody:** Honourable senators, it had been my intention to speak to third reading this afternoon and to conclude the Senate's dealing with this bill at this time.

**Senator Frith:** Technically you cannot, but go ahead.

**Senator Doody:** However, I was impressed by the eloquence of the arguments of my friend opposite, so much so that I thought I had better have a look at the first section of his speech, at least the part dealing with the regulations.

I had been satisfied in committee that the legal opinion provided to the House of Commons' committee had dispelled any problems in that area. Perhaps I was overly optimistic or hopeful in that area. In any event, I will read my honourable friend's arguments and respond to them tomorrow, or whenever I get the document.

I have absolutely no problem with the other two questions raised by my friend. On the matter of splitting spousal pensions, I may be partly responsible for the language in the report. On the matter of disability, this is an area of which we are all very much aware, and we will urge the department to proceed with whatever solution it deems fit.

The reserve question is a new question—at least to me it is a new question—and one that surfaced for the first time under the prodding of Senator Molgat. I am delighted to see that it, too, is included in the report. However, we will leave my third reading comments for another day.

On motion of Senator Doody, debate adjourned.