

Order Paper Questions

number of the provisions in the federal Budget that discriminate against women and families, and another signed by a number of women from Kamloops, British Columbia, asking the Government to rescind a number of unfair tax increases in the Budget, particularly those that impact most specifically on women and families.

FULL INDEXATION OF FAMILY ALLOWANCE

Mr. Steven W. Langdon (Essex-Windsor): Mr. Speaker, a bit belatedly, I would like to present a petition from citizens of my constituency who are protesting against the decision which the House has now taken to deindex family allowances. This petition and many others will stand as monuments to the Government's failure to be responsive in this matter.

Mr. Iain Angus (Thunder Bay-Atikokan): Mr. Speaker, I too have the privilege and honour to present a number of petitions from people from across Canada who, among other things, call upon the Government of Canada not to deindex family allowances and also point out that there is a very real need for tax fairness in this country.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Doug Lewis (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 403 and 410.

[Text]

RCMP SUPERANNUATION ACCOUNT

Question No. 403—**Mr. Cassidy:**

1. With reference to the answer to Question No. 4,484 of the 1st Session of the 32nd Parliament, how much of the \$209.3 million decrease in liabilities that was experienced by the Royal Canadian Mounted Police Superannuation Account (RCMPSA) for past service by the decision that was taken to carry out an actuarial valuation of the RCMPSA under a 3 per cent annual inflation scenario, arose because inflationary interest earnings on RCMPSA assets in respect of pensioners and other beneficiaries were committed to reducing past service employer pension costs in respect of current employees?

2. How much of the decrease in employer pension costs from 19.8 per cent to 11.2 per cent of contributory payroll for future service that was experienced by the RCMPSA resulting from the decision that was taken to carry out an actuarial valuation of the RCMPSA under a 3 per cent annual inflation scenario, arose because inflationary interest earnings on RCMPSA assets in respect of pensioners and other beneficiaries were committed to reducing future service employer pension costs in respect of current employees?

3. Were representatives of RCMPSA pensioners consulted on the action taken to commit inflationary interest earnings on RCMPSA assets in respect of pensioners and other beneficiaries towards reducing past and future service employer pension costs in respect of current employees and, if not, for what reason?

Mr. Paul Dick (Parliamentary Secretary to President of the Treasury Board): 1 and 2. Before 1974, the actuarial valuations of the RCMPSA were based on a 4 per cent interest

assumption. Rates of future salary increases and inflation were not projected.

In the 1974 valuation, the rate of interest was assumed to be 5.6 per cent per annum. Salary increases were assumed to be 5.5 per cent annually. These rates included an implicit assumption of 3 per cent inflation.

If no implicit assumptions for inflation had been used, the other economic assumptions could be regarded as being 3.5 per cent for real interest rates and 2.5 per cent for real salary increases. The effect of using an implicit inflation assumption of 3 per cent, and therefore interest and salary increase assumptions of 6.5 per cent and 5.5 per cent, respectively, instead of 3.5 per cent and 2.5 per cent was to:

(a) decrease RCMPSA liabilities by \$209 million, which included a decrease in pensioner liabilities of about \$163 million; and

(b) reduce the full employer annual current service cost that would have been required from 19.8 per cent to 11.2 per cent of contributory payroll. Of the 8.6 per cent of pay decrease, about 6.3 per cent of pay is attributable to using a discount rate of 6.5 per cent interest rather than 3.5 per cent during the retirement period of plan members.

3. Representatives of RCMP pensioners were not consulted about the change in economic assumptions used to value the RCMPSA Account. The benefits of pensioners were not affected by the change in these assumptions. The assumptions were changed to enable realistic cost comparisons with private sector plans. Also, pensions are not negotiable with plan members.

EMPLOYER PENSION PLAN CONTRIBUTIONS

Question No. 410—**Mr. Cassidy:**

1. Since 1952 by year, what employer pension plan contributions and other payments, expressed as a percentage of payroll, has the Government made to finance pension plan benefits and their indexing for public servants, members of the Armed Forces and members of the RCMP?

2. For the same years, what proportion of employer-employee pension plan contributions and other payments made to finance pension plan benefits and their indexing for public servants, members of the Armed Forces and members of the RCMP have been made by the Government as the employer?

Mr. Paul Dick (Parliamentary Secretary to President of the Treasury Board):

1. Employer Pension Plan Contributions and other Payments, as a Percentage of Payroll, made to finance Pension Plan Benefits and Indexing for Public Servants, Members of the Canadian Forces and Members of the RCMP

Year	Public Service Plan	Canadian Forces Plan	RCMP Plan
1952-53	13.6	11.9	7.5
1953-54	16.3	12.1	9.9
1954-55	6.9	10.6	8.1
1955-56	5.8	11.0	9.2
1956-57	12.1	11.3	15.1
1957-58	11.8	10.9	11.8
1958-59	5.4	10.7	10.8
1959-60	5.8	11.0	9.1
1960-61	5.7	8.3	14.9