

APPENDIX No. 4

MEMORANDUM OF THE RAILWAY TRANSPORTATION
BROTHERHOOD

OTTAWA, June 2, 1924.

To—

“The Chairman and Members of the Special Committee appointed to make inquiry in an Old Age Pension System.”

GENTLEMEN:—We, the undersigned representatives of the Canadian Railway Engine, Train and Yard Service Employees respectfully submit to your Honourable Body the following brief summary of our views on the desirability of an adequate and equitable system of pensions for those who are both old and poor.

The well known fact that most of the Canadian Railway Companies have established pension funds to provide an allowance for employees retiring from the service on account of old age should not debar us as citizens from eagerly advocating the establishment of a Dominion fund for the care of those of our citizens who are both old and poor.

While some of the pension rules, and methods of administering same, adopted by the Railway Companies are unquestionably objectionable to the Employees, nevertheless, in a large sense the resultant benefit therefrom has taught us the desirability and the crying need of an old age pension system for all Canada.

We desire to go on record by registering our discord with some of the evidence presented to your Honourable Body on May 16th as witness, page 52, of the printed Minutes, as one instance only of several we could quote.

Question by Mr. St. Père:

Q. “In your opinion would a system of that kind (State system) be preferable to the already existing pension funds carried by different Companies.

A. Absolutely, Sir, etc., etc.

In our opinion the witness inadvertently, it is to be hoped, failed to take into consideration the whole aspect of the railway pension question, for while the rules and methods practised by the Railways in connection with their pension system are, in our opinion, unquestionably faulty—there are undeniable benefits to be considered, and we venture to suggest that our efforts might more profitably be directed to curing the ailments rather than to killing the patient. Further, the disparity between the old age pensions paid and the conditions under which they are paid by the railway companies to their aged, retiring employees and those at all likely to be provided under any or by any conceivable federal State fund system precludes the possibility of the State fund being accepted or imposed as a substitute for the system in vogue on the railways.

Nevertheless, we are heartily in sympathy with an old age pension system created and administered by the Dominion and which will provide that the funds therefor shall be created out of taxation and that persons who live beyond a certain age and have insufficient means to support themselves shall receive a set sum bi-monthly as a pension.

Inasmuch as a State fund is created by taxation which all people bear, the pension is indirectly a contributory one—even the pensioner as a tax payer will indirectly contribute a portion of his pension back to the fund—besides the bulk of the evidence apparently indicates that a State fund can be administered