

that would apply to the whole system. In the meantime I think matters should continue as they are.

Mr. SINCLAIR (Guysborough): There is a definition of what constitutes an employee of the Intercolonial and Prince Edward Island Railways. Does that include all the employees on those railways?

Mr. REID: It includes all those that are members of, or subscribers to, the Provident Fund—only those that would receive any benefits under that Fund, and they must subscribe and pay their contribution to the Fund.

Mr. J. H. SINCLAIR: Then this Act does not apply to any employee who is not a member of the Provident Fund?

Mr. REID: It does not. The hon. gentleman asked whether the Government intends depositing a certain amount with the Central Compensation Board to meet a portion of the working expenses. What the Government now does or rather the provision which has been made in the other Act, is, to pay whatever amount of compensation, or award, the Board may decide upon with respect to an employee. We felt that it was not necessary to deposit any money with the Compensation Board, and I think the Board is not pressing that demand. It was brought to my attention, however, by some of the different compensation boards that there was no provision in the Act whereby we could pay a portion of the cost of operation of the compensation board, and I felt that it was only fair and just that the Canadian National Railways should pay their proper share of whatever charge would be involved under the operation of the provincial Act in a particular province. Therefore I added this last clause in the amendment, which reads:

And in any province where the general administration expenses of maintaining such board, officers, or authority or court, are paid by the province, or by contributions, from employers, or by both, the Minister of Finance may pay out of any unappropriated money in the consolidated revenue fund of Canada such portion of such expenses as is fair and reasonable and is authorized by the Governor in Council.

That covers the point that the different compensation boards are interested in. The boards now receive their share as if they were a private corporation, and when an award is made the Department of Finance will pay it out of the consolidated revenue fund.

[Mr. J. D. Reid.]

Mr. ERNEST LAPOINTE: As regards the employees who are permanently disabled as a result of an accident, I think the proposed law is sound, and I do not agree with my hon. friend from Guysborough (Mr. Sinclair) that we should not take into consideration the Provident Fund at all. That fund applies to two cases—an employee who retires on account of old age, and an employee who retires on account of permanent disability. It would not be fair that the same employee should get a life pension under the Provident Fund, and also a life pension under the Compensation Act. With respect to employees who are killed as a result of an accident, I congratulate the minister upon the change he is now making. We told him last year that the position of the dependents of such employees would not be improved as a result of the Act then passed. Of course, the dependents of an employee who was killed in a railway accident could not have any right to the benefits of the Provident Fund at all. The Provident Fund provides a pension for a disabled employee, or an aged employee, but nothing for the dependents of an employee who is killed. It was absurd, therefore, to require that such employee should waive his right to something that he was not entitled to. His dependents could not be granted anything from the Provident Fund, and surely we could not require that the employee should waive his rights. Yet that is what we did last year. As a result of that Act, I had in my practice the cases of two men named Senechal and Frève, who were both killed in a railway accident. The Railway Department refused to pay compensation on account of the clause in last session's Act, which was absurd. I am glad that the resolution as it reads will have a retroactive effect in the case of the dependents of those men, and that they will now be entitled to pensions.

Mr. GAUVREAU: Is the minister making the provision retroactive?

Mr. REID: Yes.

Mr. GAUVREAU: Retroactive as far as last year's Act is concerned?

Mr. REID: It is retroactive as regards last year's Act. The hon. member (Mr. Lapointe) brought the point to my attention, and I saw the injustice of it. It is because of the hon. member's action in that regard that I am now making the provision retroactive so that its effect will be as though it had been enacted last year.