

*By Mr. McIlraith:*

Q. Just to clear up that point Mr. Taylor. If one of this group was let out in the 1931-32 period he would be let out on the basis of using the five-year average for salaries and for computing pensions. Assuming they were re-employed in the 1940's under the Superannuation Act, is the whole period they are employed and their whole pension right based on the 10-year average, or partly on the 5-year period, and the five- and ten-year average under existing legislation?—A. Mr. Gullock assures me it is based first on the five year and the second period under the 10-year average rule.

Q. That is existing legislation?—A. Yes.

Q. And under this bill that will continue except there will be less than the 10-year period?—A. He can either have two pensions—at the present time he would either get the mixture of the 5 and the 10 or it would be based on 10 years at his option. He could have the better of the two deals. Mr. Gullock tells me that those who went out under the abolition of office clause, in the case of the Department of Interior, would have a pension under the abolition of office clause. If they were re-employed that pension of course went into suspense while they were employed, and when they ceased to be employed it is my understanding that that pension is resumed plus a second pension for the second period of employment based on a 10-year average.

Q. Just one further point. The change now from the last 10 years of their employment to the best 10 years would make it possible for a man in the last few years of his service to accept a reduction in salary if it was otherwise desirable from his point of view.—A. That is the reason for doing it.

Q. Without damaging the superannuation?—A. I think it occurs in several departments but it happens more often perhaps in the post office where men are unable to do the more arduous duties and would like when they get into the middle or late fifties to be employed in a less arduous job which carries perhaps a lesser rate of pay.

Q. I want to be very clear on that, because I came into contact with several cases where they would have wished to take a smaller salary but simply could not afford it because of the effect on the superannuation rate.

*By Mr. McCusker:*

Q. In the case of the combined pensions of a man who has interrupted his service do the combined pensions total a greater amount than if that man had remained in service continuously?—A. I do not think it is possible.

*By Mr. Richard:*

Q. The same interior employees who were dismissed or whose positions were abolished and who were re-employed within a set time did benefit by the five-year period rate, and I want to make that clear.—A. It probably gets down to a definition of what you call continuity of employment. Strictly speaking if a person were laid off for one day, they have interrupted service, but it has always been interpreted as covering a reasonable period of time. In the case of sick leave, where if a man is re-employed within 60 days you can resume unused sick leave rights.

*By Mr. McIlraith:*

Q. In the Interior Department with respect to these employees in 1931 and 1932, was there not an extension of the period within which a man could be re-employed and still retain his 5-year rights?—A. Mr. Gullock was on the job, and perhaps he might answer.

Mr. GULLOCK: In these interior cases there were some who were assigned to various departments and they were given leave without pay from the interior department. Their positions were never really abolished.