

found it was too costly. He might have had ten years service in, but on coming into the civil service he discovered that the money he received would only pay for four or five years.

Dr. DAVIDSON: You will find an interesting example of something approaching this on page 4, under subsection (EA). People have called this an omnibus bill, and I think this is the merry-go-round clause in the omnibus bill. Here is the case of a person who starts as a civil servant and transfers to an approved employer, and his contributions and the employer's contributions go to the fund of the approved employer. Then he leaves that approved employer and goes to another approved employer who has a scheme which is not related to that of the Government. In leaving the approved employer he takes a return of his contributions when he goes to the second outside employer. Then, he comes back into the Government service. This clause makes provision for him to be able to re-establish his period of service by redepositing, in effect, into the Superannuation Fund the value of the contributions which were originally transferred on his behalf to employer No. 2, and which he eventually got in cash by leaving employer No. 3.

Mr. KNOWLES: What about the case of any employee who leaves the Government and goes to a firm with which there is no reciprocal agreement and wants to put his money into that if that company permits it. What are the limitations of leaving his money here for a deferred annuity?

Mr. CLARK: If he has five years service he can leave his money for the annuity credit in the account.

Mr. CHATTERTON: At his option.

Mr. CLARK: Yes. If he had five years service with the Government.

Mr. KNOWLES: But still reciprocal agreements are preferable?

Mr. CLARK: That is correct.

Mr. WALKER: Have you agreements with other municipalities and provinces, and so on, say with provincial crown corporations; or is it necessary to have a reciprocal agreement covered in some other way?

Mr. CLARK: In Alberta we have an agreement with a provincial pension board which is responsible for all the people under a local authorities pension act, I think it is called, in the Province of Alberta.

Mr. KNOWLES: Are the Government ones you are citing now included in the 20 agreements?

Mr. CLARK: The municipal ones are under the present authority, but anything beyond would be under the new authority.

The Co-CHAIRMAN (*Senator Bourget*): Have you such agreements in the Province of Quebec?

Mr. CLARK: No. We could have an agreement with the City of Hull, for example, if that is desirable. We do have an agreement with the Province of Quebec, but not as yet with any of the municipalities.

Mr. WALKER: In other words, you deal directly with municipalities, not just through the provincial government?