

Provision for Portable Pensions

Mr. Chrétien: Yes. The hon. member has a good understanding of this clause. Contributions will be locked in after that date in respect of employees with ten years or more service who are age 45 or over.

Mr. Knowles: The parliamentary secretary made it clear in his earlier remarks, as I think the bill itself does, that this will not prevent a pension plan from being designed to give even better benefits or protection to employees.

Mr. Chrétien: No, this bill will not prevent the employees or employers from changing their pension plan if they want to. This is designed only to prevent any lessening in the benefits of plans which qualify under the law. This was possible in the past. We want to protect the employees and to spell out that protection in the law.

Mr. Knowles: Is this legislation generally of a piece with the legislation of those provinces which have already passed similar bills, namely, Ontario, Quebec and Alberta?

Mr. Chrétien: Yes, according to my understanding it is the same. The only difference is the qualification date of this bill. However, the framework and the wording are almost the same. The result will be equal for employees whether they come under the provincial or federal law.

Mr. Knowles: Will the parliamentary secretary indicate what clause of the bill would be appropriate for a discussion in respect of portability, to which he made reference in his statement? I cannot find that word anywhere in the bill.

Mr. Chrétien: If the hon. member will read the first paragraph of clause 10 on page 8 I am sure he will realize that portability exists by implication.

Mr. Knowles: Perhaps we should discuss this on clause 10.

The Acting Chairman (Mr. Richard): Shall the amendment carry?

Amendment agreed to.

Clause as amended agreed to.

On clause 3—*"Included employment"* defined.

Mr. Knowles: Mr. Chairman, clause 3 is that part of the bill which makes it clear what employees are covered by this legislation. Subclause 1 in particular spells out the [Mr. Knowles.]

kinds of work that are covered and subclause 2 deals with the exception regarding government employees. What is to be the situation in respect of employees of the crown so far as this legislation is concerned?

Mr. Chrétien: There is a provision in the public service legislation which covers all the employees by the authority of the governor in council. They will be covered by regulation.

Mr. Knowles: In other words, the fact that government employees are not covered by this legislation is not to their disadvantage because the pension protection they have under federal law is even better. Is that right?

Mr. Chrétien: Yes, I think that is right. Even though they are not covered directly they are covered by other legislation which is even better. In any event, the governor in council has the power to act if necessary.

Mr. Barnett: Perhaps the parliamentary secretary would clarify the situation a little more in respect of the position of employees of the crown. I think a better understanding should be placed on the record of just how they fit into the picture and what the intention of the government is in relation to them under the authority given to the governor in council.

Mr. Chrétien: Mr. Chairman, some of these employees are covered by subclause 1, so there is no problem in that regard. Employees of crown corporations will be covered and will be obliged to amend their own pension plans in order to come within the provisions of this legislation. They will then be protected because their pensions will be amended in accordance with this provision. Actually most of the pension plans have such a provision at this time.

● (3:00 p.m.)

Mr. Barnett: Mr. Chairman, I had particular reference to subclause 3 (a) which provides as follows:

The governor in council may make regulations excepting from included employment

(a) employment by an agent of Her Majesty in right of Canada;

I interpret that provision to cover a crown corporation as being an agent of Her Majesty. Is it the general intent of the government that employees of crown corporations shall have the same rights as employees of other incorporations under federal jurisdiction, or will this power of the governor in council be used in such a way as to ensure that employees of