

Even at best, even if there were no time lag, all that you do by raising pensions in accordance with the increase in the cost of living is to enable pensioners to continue to exist on the same standard of living that they had at the beginning. In other words, you enable them to continue enjoying their poverty. In the meantime the standard of living of society as a whole has gone up, one of the reasons for that being that these same pensioners helped to bring society to the point it has reached. Because they have played their part they should share, in my view, in the rising standard of living. Therefore all pension escalation should be related to the rising standard of living. Certainly there are two indices that are better than the cost of living index; one is the wage index, the other the rise in the gross national product.

In addition to insisting that we do something for retired CNR pensioners, notably, that we put the escalation on a permanent and more satisfactory basis, we feel that something must be done about the pension plan itself with respect to those still working. The rates used in calculating pensions for those in parliament are out of this world, and I could talk about that—but why stir up hon. members this afternoon? I say that in light of the fact that federal civil servants obtain pension credits equivalent to 2 per cent per year of service and Air Canada employees, as well, get pension credits equivalent to 2 per cent for each year of service, so that an employee after 30 years of service is paid a pension of 60 per cent of the average he earned over a certain given number of years, this formula should also apply to CNR pensions.

At present, however, under the Canadian National scheme the highest figure that applies is 1½ per cent. Even that does not apply to all present employees in Canadian National Railways. Those who have been there for a number of years still are given a credit of only 1 per cent or 1½ per cent per year for their earlier years of service. The cry of many Canadian National employees in this country from coast to coast—the government is stone deaf if it has not heard this cry—is for Canadian National pensions to be determined on the basis of 2 per cent per year of service.

The government can give us the usual excuse by saying that the railway company is a Crown corporation and that the government does not interfere with such corporations. We know all the talk to that effect. But we know, too, that when on occasion we have refused to pass a certain bill providing money for the Canadian National, somehow something has happened. Therefore, we say that this government has the responsibility to see to it that this group of people who work for the government in just the same way as those who work for Air Canada work for the government, since Air Canada is a government-owned air line, and in the same way as federal public servants work for the government, is provided with decent pensions, with a pension plan that is similar to that provided to those other groups I have mentioned.

We should also make provision for a number of other changes. I am thinking of the provision for widows. Why is it that we have included 60 per cent in our own Members of Parliament's retirement plan but let 50 per cent widows' pensions be the rule in the case of public servants

*The Address—Mr. S. Knowles*

generally and employees of the Canadian National Railways?

During the past few months meetings have been held in various parts of the country at which certain management persons from the Canadian National Railways have tried to tell those employees that their pension is wonderful. They have even been told that the average pension of a retired CNR employee is higher than the average pension of a retired public servant. You know, that means nothing until you compare the salaries or wages they have been paid over the years, the length of service, and so on. The result has been not to convince those employees that they have the best plan in the country; the result has been to increase the ferment. The men and women who work for the CNR want justice in their pensions. They want the discrimination against them ended, and we insist that there must be action on this without delay.

A moment ago when I started to refer to Canadian National pensions one of my colleagues who used to work for the Canadian Pacific Railway made an interjection. I do not know if it was picked up by *Hansard*. I waved him down because it was my intention, once I had finished talking about Canadian National, to speak about CPR pensions as well. It is time for the government to start talking turkey with respect to this matter. Do not give us the line that the CPR, because it is a private company, is one we cannot touch. They are in a public business; its employees are serving the public of Canada. They are taking the same sort of raps under the aegis of their employer as are the employees of Canadian National.

It is time for the government to tell the CPR that it must at least match the provisions with regard to pensions that are available to employees of Canadian National Railways. The increase, in some cases 12 cents, 15 cents or 50 cents a month which the CPR paid a few years ago, was an utter disgrace for any company, public or private. This government has talking power with the CPR. So we in this parliament want action on behalf of Canadian Pacific Railway pensioners just as much as we want it on behalf of Canadian National pensioners.

I see my time is running out, Mr. Speaker. Most speeches include a sentence like that. The member hopes that he may persuade Mr. Speaker to be patient. I ask you to be patient for only a minute or two longer.

I am pleased to see the Minister of Veterans Affairs (Mr. MacDonald) in his place this afternoon. I welcome him to this House and I congratulate him on his appointment to his important portfolio. I am one of the members of the House who had the great privilege in the previous parliament of serving on the Standing Committee of Veterans Affairs. Even though we may feel that there is still much to be done, I think it can be said that we did a pretty good job. It is a wonderful committee, in terms of its non-partisanship and its desire to achieve things, and I think we did a pretty good job. Yes, we did pretty well, Mr. Speaker, but there is still some unfinished business. The occupant of the chair at the present time is fully aware that this is so. Notably, there is the question of doing something about the basic rate of disability pensions paid under the Pension Act.