

you have to pay for it. If you want the benefit of a certain portion of your service and you cannot pay for it all, this government will give that portion.

Sir HENRY DRAYTON: A man who has been in the service for twenty years and who does not want to pay any arrears gets the benefit of ten years' service for nothing. If we are going to handle this on the basis of mutuality as the hon. junior member for Ottawa tells us is being done, the other man would get the benefit of his full twenty years' service if he paid for ten years. In that case each would be allowed the ten years' service on the same basis. It is perfectly clear.

Mr. CHEVRIER: I do not see it.

Sir HENRY DRAYTON: I do not know whether we should discuss it, but it is just as well that we should see where we are. I should like to see if there is anything of fairness between different members of the service. I will take the same case of men having twenty years service.

Mr. CHEVRIER: The element of mutuality comes in when the government grants him the one-half and says: Pay up the other. That is the fifty-fifty.

Sir HENRY DRAYTON: It does not do that, if the chairman is correct. If my hon. friend (Mr. Chevrier) is right, then the chairman is wrong, because they both cannot be right. The chairman tells us that if a man wants to get the benefit of his 20 years he must pay for the whole of the 20 years; he pays his 5 per cent. without interest. But the hon. member for Ottawa (Mr. Chevrier) tells us the converse; he says that they both get the benefit of 10 years.

Mr. CHEVRIER: No.

Sir HENRY DRAYTON: Then I got it wrong, and I am perfectly right in what I said, namely, that one man gets 10 years for nothing while the other has to pay for 20. If they were both put on the same basis the man who got the 20 would pay only for the extra 10, because the other employee would get 10 for nothing anyway.

Mr. MALCOLM: The hon. member loses sight of the fact that the full cost of the benefits under this scheme is 10 per cent of the salary of the employee for the full 20 years he has been in the service, 5 per cent being contributed by himself and 5 per cent by the government. He is allowed to come in by paying his 5 per cent and he has this advantage over those who

have paid 5 per cent into the Retirement Fund, that he has not to pay interest. The employee has 20 years to his credit and in that time the total cost of the scheme is 10 per cent of his salary, half of which would have been paid by the government and half by himself. He is allowed to come in by paying his 5 per cent for the total period. If he does not want to pay anything, he is allowed half the period for nothing.

Section agreed to.

On section 22—Temporary employees.

Sir HENRY DRAYTON: What is the effect of section 22?

Mr. MALCOLM: This is to enlarge the scope of the act. The only employees covered by this section are those who come under the Civil Service Act or who have been exempted therefrom by order in council. This section provides that all such civil servants shall come under the provisions of this Act to the same extent as ordinary permanent employees unless they are assigned by the Civil Service Commission upon certificate of temporary employment and are still serving under such certificate.

Section agreed to.

On section 23—Operation of act extended

Sir HENRY DRAYTON: When is the act to come into effect?

Mr. ROBB: Upon assent. This section applies to the Calder Act and the two acts will run concurrently until November 1. If by any chance this bill is not passed by the Senate we may have to extend the Calder Act to March 31 to provide for the next year. It is hoped however that the bill will be passed.

Sir HENRY DRAYTON: This provision is up to November 1. Why not make it March?

Mr. ROBB: I would rather leave it as it is and it can be amended later on if that is found necessary. The Civil Service, I may say, is satisfied with it.

Bill as amended reported.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

PUBLIC SERVICE RETIREMENT ACT

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution: