

May I cite some of the discussion in the other House? I might quote things that were said in 1924, but that would take too long; I will content myself with just one or two references. The principle underlying the Superannuation Act of 1924 is that of equal contributions by the Government and the civil servants. At the meeting of the Banking and Commerce Committee on Friday Mr. Finlayson, when he was asked regarding the 4 per cent interest charge, admitted that it was not necessary for the purposes of the fund.

The House of Commons, according to Hansard of July 3, 1924, page 3977, put itself on record in this way:

The general principles on which modern superannuation schemes are based appear to be fairly definitely agreed upon. The basis most favoured is that under which both the employees and the employer contribute to the support of the scheme, the entire cost as a rule being borne approximately equally by both. The benefits derived or provided for include allowances on retirement after attainment of a stipulated age; allowances to widows and minor children in the event of the death of the employee during service or after retirement, the widow's allowance being usually one-half of the employee's allowance; and allowances to the employees on retirement from disability regardless of age.

Those are the basic principles upon which this Act was conceived and submitted to us.

There is also usually provision made for the return of the employee's contributions without interest in the event of his voluntary retirement after a minimum period of service had been rendered.

Your committee is of the opinion that the adoption of a superannuation scheme substantially on the lines of that above described would remove one of the greatest deterrents to efficiency and curtailment of staffs in many of the departments of the public service and it therefore commends that such a scheme be adopted by Parliament at the earliest possible date.

Then Mr. Malcolm, in the House, expressed himself in this way:

The Committee which dealt with this matter was somewhat unfortunate in not being able to have the assistance of all of its members, so many other committees were meeting at the same time and we never had a full meeting of the committee to discuss the question. After reviewing all the evidence submitted by civil servants, by the Deputy Ministers, and the Civil Service Commission, who assisted the committee in obtaining information in regard to the matter, the committee came to the conclusion that the payments to be made to civil servants under this Bill were as great and as fair as could possibly be made with the amount of money provided by the Government and by the civil servants themselves. In other words, it was the desire of the Committee that this Bill should be framed on a strictly actuarial basis.

It will thus be seen from these quotations that the 4 per cent interest was neither

Hon. Mr. BELCOURT.

counted upon nor expected at the time the Bill was originally passed. In order, therefore, to build up the Fund and bring in the 7,000 on the outside, this amendment is made.

Honourable gentlemen will see, by referring to Hansard of April 1 last, how this matter was dealt with in the House of Commons, and I direct special attention to what was said on that occasion:

Mr. Malcolm: I was chairman of the committee that made the recommendation on which the act was based. The act was designed to meet the case of new entrants to the service, but provision was made to allow those contributing under the previous superannuation acts to come in upon paying the difference in the contributions. At the time referred to strong representations were made with respect to unusual cases such as those to which the hon. member for Kingston (M. Ross) and the hon. member for Muskoka (Mr. McGibbon) have called attention, but those to whom the framing of the act was entrusted felt that the measure would be jeopardized if an attempt was made to provide for all such cases. I recall representations on behalf of some such servant as the hon. member for Kingston has spoken of, but he was under the Militia department and that department had its own pension system. I think there is a good deal to be said on behalf of old caretakers, however, and if the Superintendent of Insurance could frame a suitable amendment I would be glad to see the minister adopt it because the committee were certainly sympathetic to such cases.

Later on, after some observations of the member for Moose Jaw, Mr. Malcolm continued:

Mr. Malcolm: In reply to my hon. friend may I say that the act as worked out by the committee was placed on an actuarial basis, one-half being contributed by the employee and one-half by the state. That made it very difficult to consider the case of a man who had never paid anything into the fund. Such a man could never be expected to pay five per cent of his total salary for the whole period in which he was in the government service because he would not likely be in a position to make such a heavy payment. At the time the act passed this House, with very strong support on both sides, it was felt that as it had been worked out on an actuarial basis there was no further need for contributions by civil servants other than those for which the measure provides. The upper chamber however felt that there was, and that those who were under the old scheme and coming into the new, were not contributing sufficient to the new scheme. The upper chamber therefore amended the bill by making necessary the payment of 4 per cent simple interest. They did not ask that it be compounded. I do not know what influence my hon. friend has in the upper chamber—

—he is addressing himself to the member for Moose Jaw—

He has some relatives there, and I would suggest that he get his relative to introduce a bill in the upper chamber and to endeavour to have the upper chamber accept the bill as it was passed by this House.