

Canadian Forces Act

my information since December 31, 1948. In the intervening period between June 1, 1944, and December 31, 1948, a period when we were seeking senior officers because of the rebuilding of the permanent forces, what the hon. member said would be true. Since December 31, 1948, all those who entered the service are in the position that I stated, namely, that if they retire with less than 20 years' service their pension is reduced by one-third until they are 65 years of age.

Dealing with the question of the right of election to revert to a different rank or be compulsorily retired, each case has to stand on its own merits. I do not think anyone could make a general statement covering all cases.

Clause agreed to.

On clause 2—*Service*.

Mr. Pearkes: This clause refers to certain officer personnel who were serving on a full-time basis with the reserve forces and were then taken into the regular forces. It enables them to count the time spent in the reserve forces for pension purposes; that is my understanding of the clause. I should like to ask, when will this provision come into effect? Will officers who have in the past been serving with reserve forces and who are now with the active forces be allowed the time they have already put into the reserve army? Will this apply to any personnel who may have left the service by now, and whose pension would be increased if they were allowed to count the time which they had spent with the reserve forces under the conditions set out in the explanatory note?

Mr. Campney: This section, Mr. Chairman, has a very limited application. As a matter of fact, it is not a general provision. It is being introduced to take care of the cases of 17 air force officers who are now in the regular service, and who had been doing full-time duty with the reserve. The provision contained in the act, and with which they must comply, is that they must have served at regular rates of pay in the reserve. These 17 men met all the qualifying conditions of service, but for some reason or other their pay was slightly under the regular pay so they would be ruled out unless a remedial amendment such as this were made.

In order to obviate making amendments to meet all these special conditions, the amendment seeks also to provide that conditions of service, rates of pay and so on may be regulated and dealt with by the governor in council.

[Mr. Campney.]

Mr. Pearkes: The minister has not answered my question. I know about these air force officers, but in order to take advantage of this section must the officer in question be actually serving at this time?

Mr. Campney: As of the date of assent to this bill.

Mr. Harkness: Would the minister tell us how many officers are presently affected or will be affected by the passage of this bill, and to what extent it is retroactive?

Mr. Campney: It is my information that it will not be retroactive, and that it will now affect only 17 Royal Canadian Air Force cases.

Mr. Harkness: It does not affect any army cases at all?

Mr. Campney: I understand that it does not.

Clause agreed to.

On clause 3—*Regulations*.

Mr. Pearkes: Would the minister explain subparagraph (b)?

Mr. Campney: As the situation stands at the present time, widows entitled to pensions must within four years pay full succession duties on the capitalized value of such pensions payable either to them or to their children. In practice this has obviously worked considerable hardship and has placed many widows and children in straitened circumstances, owing to the fact that they have had to anticipate getting the pension and in the meantime pay succession duties on it.

This clause seeks to give relief to such people by putting widows and children in practically the same position as they would be under the Public Service Superannuation Act. As I understand it, this would mean that the maximum amount of succession duties which could be paid from the pension fund would be the proportion that the value of the pension might bear to the remainder of the estate, and it would only be recovered from the widow or children, over such period of time as the pensioner might elect.

This clause if enacted would give relief to many widows and families who have experienced considerable hardship in having to anticipate their pensions by paying succession duties in advance.

Mr. Pearkes: I know there have been a great many cases where widows have suffered very severe hardship. Many have felt that these pensions, to which their husbands had contributed, should never be charged succession duties at all. While this measure