

State Pensions

cent reduction in the pension she may draw or the superannuation payments to which she is entitled. I do not think that is equality. One of two things should occur. It stands to reason that at the age when the pension or superannuation falls due normally, whichever spouse survives is in no position to carry on with a reduced pension. The breadwinner can easily carry on with the full pension.

In the traditional situation, the man has been the breadwinner and has made the contributions. If he should be the survivor, he will receive the 100 per cent pension. However, if the breadwinner husband should die, the wife is left with only 50 per cent. She is in a more difficult situation when she has her income reduced in this manner. I suggest that this is not a sincere effort to provide equality of status as between the two sexes.

I would like to see either 100 per cent continued for the surviving spouse or some other figure. I am not prepared to state the figure; I cannot work it out actuarially or in terms of domestic economics. Possibly 75 to 80 per cent should be the proportion of pension left to either surviving spouse whether it be the breadwinner or the non-breadwinner. I suggest this is the equality we should be working toward.

The element of transportability of pension earnings from one area of the public service to another, whether in uniform or not, is good and I welcome it. I am the beneficiary of superannuation payments as a result of my service in the public service to which I managed to add my war service. This totalled 30 years. It may amuse you, Madam Speaker, to learn that if by chance it had not been to the House of Commons that I was called, but to the other place, I should have had to lose the pension I had earned over those 30 years. The reasons are legalistic. It is wrong that that should be the case. As a result of the superannuation benefits to which I contributed during my 30 years of service, I was able to carry on during that period when the salaries and indemnities in this House were not as great as they are at present. Otherwise, I could not have done it. I recognize the advantage I had at that time.

There are other matters in the bill. As I say, transportability is a fundamental principle that we must incorporate. There must be more tidying up than is done in this bill. There are other matters which have not been dealt with at all. I agree it would have involved a longer bill, but I think that the mysterious 85 formula which is used in the armed services and the public service has to be re-examined. I look forward to re-examining it more closely in the committee on which I serve. Naval officers—and that is a proud term—are obliged to resign their commission after 25 years' service. They are deprived of the increments and the full benefits of pension they might have had if they could have continued on to 30 or 35 years to make up this mysterious 85 formula.

As my friend and colleague, the hon. member for Grenville-Carleton (Mr. Baker) just mentioned, we must define what is a pension. This takes me back to equality. The contributions that the breadwinner makes to his pension are really contributions from the family budget. The whole family suffers to the extent that his contributions reduce the take-home pay in any given week, month of year. They do not object. However, I think they should be considered

[Mr. Munro (Esquimalt-Saanich).]

as family, rather than individual contributions. That would get us closer to the concept of equality.

I have never been able to get this straight in my mind: does the government make its contributions as the individual or family contributions are made, or are they only made from the consolidated revenue fund at the time withdrawals have to be made for the public servant? I look forward to the discussion we shall have on this particular measure when it reaches our committee.

The Acting Speaker (Mrs. Morin): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mrs. Morin): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Special Joint Committee on Employer-Employee Relations in the Public Service.

The Acting Speaker (Mrs. Morin): It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

INCOME TAX ACT

AMENDMENTS RESPECTING TAX ON CORPORATE
BORROWINGS, INCOME FROM MINERAL RESOURCES, AND
PERSONAL INCOME

Hon. Mitchell Sharp (for the Minister of Finance) moved that Bill C-65, to amend the statute law relating to income tax, be read the third time and do pass.

The Acting Speaker (Mr. Turner (London East)): Is it the pleasure of the House to adopt the said motion?

Mr. Knowles (Winnipeg North Centre): On division.

Motion agreed to and bill read the third time and passed.

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REGIONAL DEVELOPMENT INCENTIVES ACT

AMENDMENT TO EXTEND CERTAIN PROVISIONS TO DECEMBER
31, 1981

Hon. Marcel Lessard (Minister of Regional Economic Expansion) moved that Bill C-74, to amend the Regional Development Incentives Act, be read the second time and referred to the Standing Committee on Regional Development.

He said: Mr. Speaker, as hon. members of the House are well aware, the Regional Development Incentives Act first received assent in 1969. Since that time it has been an important element in the regional development policy of