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SESSION 1939
HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

CIVIL SERVICE SUPERANNUATION ACT

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

TUESDAY, FEBRUARY 28, 1939

FRIDAY, MARCH 3, 1939

TUESDAY, MARCH 7, 1939

FRIDAY, MARCH 10, 1939

WEDNESDAY, MARCH 29, 1939

FRIDAY, MARCH 31, 1939



WITNESS:

Dr. F. S. Burke, M.B., Chief of Medical Investigations Division,
Department of Pensions and National Health, Ottawa

MEMBERS OF THE COMMITTEE

Mr. Malcolm McLean (*Melfort*), *Chairman*

Messrs.

Anderson,
Baker,
Blanchette,
Bradette,
Davidson,
Dunning,
Francœur,
Heaps,
Hill,

Kennedy,
Lockhart,
McCann,
McLean (*Melfort*),
Mallette,
Mutch,
Pottier,
Wood.

ANTOINE CHASSE,
Clerk of the Committee.

REPORTS TO THE HOUSE

TUESDAY, February 28, 1939.

The special committee appointed to enquire into the operation of the Civil Service Superannuation Act begs leave to present the following as a

FIRST REPORT

Your committee recommends that it be granted leave to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence and that Standing Order 64 be suspended in relation thereto.

MALCOLM McLEAN,
Chairman.

(For concurrence *see* Votes and Proceedings of Tuesday, February 28, 1939.)

WEDNESDAY, March 29, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act begs leave to present the following as a

SECOND REPORT

Your Committee recommends that it be granted leave to sit while the House is sitting.

All of which is respectfully submitted.

MALCOLM McLEAN,
Chairman.

(For concurrence *see* Votes and Proceedings of Wednesday, March 29, 1939.)

ORDERS OF REFERENCE

HOUSE OF COMMONS,

TUESDAY, February 21, 1939

Resolved.—That a select special committee of the House consisting of Messrs. Anderson, Baker, Blanchette, Bradette, Davidson, Dunning, Franceur, Hansell, Heaps, Hill, Lockhart, McCann, McLean (*Melfort*), Mallette, Mutch, Pottier, Wood, be appointed to inquire into the terms and operation of the Civil Service Superannuation Act, and all matters pertaining thereto, with power to call for persons, paper and records, to examine witnesses under oath, to consider evidence taken at the last session of Parliament before a select committee of the House on the same subject matter, and to report from time to time, and that Standing Order 65 be suspended in relation thereto.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

TUESDAY, February 28, 1939.

Ordered.—That the name of Mr. Kennedy be substituted for that of Mr. Hansell on the said Committee.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

TUESDAY, February 28, 1939.

Ordered.—That the said Committee be granted leave to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence and that Standing Order 64 be suspended in relation thereto.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

WEDNESDAY, March 29, 1939.

Ordered.—That the said Committee be granted leave to sit while the House is sitting.

Attest.

Clerk of the House.
ARTHUR BEAUCHESNE,

MINUTES OF PROCEEDINGS

TUESDAY, February 28, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met this day at 11 a.m. (For organization).

Members present: Messrs. Anderson, Baker, Davidson, Francœur, Heaps, Hill, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mallette, Mutch, Wood.

In attendance: Mr. W. C. Ronson, Assistant Deputy Minister, Department of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance.

On motion of Mr. Mallette, Mr. McLean (*Melfort*) was unanimously elected Chairman.

Mr. McLean took the Chair, thanked the Committee for the honour conferred anew upon him and expressed his confidence that he would obtain the same co-operation the members had extended to him the previous year.

The question of an agenda was discussed. It was agreed that the Committee would devote their first few sessions to a review of the material gathered by the Committee of 1938.

The Chairman informed the members that various associations of civil servants had enquired to know whether or not the present Committee would hear further representations.

On motion of Mr. Heaps:—

Resolved.—Whereas the Committee on the Civil Service Superannuation Act sat in session during 1938 and representations were made before same by organizations and persons interested, this Committee is of the opinion that immediate consideration be given to such evidence for the purpose of reporting to the House at as an early date as possible, but before doing so the Committee is prepared to accept written submissions from organizations and persons, with as little delay as possible, on matters not already previously submitted.

On motion of Mr. McCann:—

Resolved.—That the Committee be granted leave to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence and that Standing Order 64 be suspended in relation thereto.

The Chairman asked leave to place before the Committee certain communications which were addressed to him during the recess of Parliament and since the opening of the present Session, as follows:—

1. Dominion Civil Service War Veterans of Canada, Toronto Branch—affiliated with the Canadian Corps—signed by B. B. Izatt, Secretary.
2. Montreal Post Office Employees, Association—signed by Georges Labelle, Sec'y-Treas.
3. J. T. Richard, Barrister, Ottawa, Ont.—On behalf of Mrs. E. Doyle.

On motion of Mr. Mutch, the Committee adjourned at 11.45 a.m. to sit again at the call of Chair.

FRIDAY, March 3, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met this day at 11 a.m. The Chairman, Mr. Malcolm McLean (*Melfort*) presided.

Members present: Messrs. Anderson, Baker, Blanchette, Bradette, Davidson, Heaps, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mallette, Mutch.

In attendance: Mr. C. P. Plaxton, K.C., Acting Deputy Minister of Justice, as Chairman of the Advisory Committee of Superannuation; Dr. W. C. Clark, Deputy Minister of Finance; Mr. W. C. Ronson, Assistant Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance.

The Chairman placed before the Committee certain communications addressed to him, as follows:—

1. Letter from Mr. J.-F. Pouliot, K.C., M.P., transmitting certain communications concerning Lt.-Col. Hercule Barré, Commercial Agent of Canada in Paris, France.
2. Letter from Mr. Sidney E. Smith, 416 Gladstone Ave., Ottawa, Ont.
3. Letter from Mr. A. Peart, Edmonton, Alta., Secretary, Ex-Civil Servants Committee.
4. Letter from Mr. A. E. Attfield, 171 Belmont Avenue, Ottawa, Ont.

The Committee then continued their sitting *in camera*, to consider the evidence before them.

At one o'clock p.m., on motion of Mr. Mutch, the Committee adjourned to sit again on Tuesday, March 7, at 11 a.m.

TUESDAY, March 7, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this day at 11 a.m. Mr. Malcolm McLean (*Melfort*), the Chairman, presided.

Members present: Messrs. Anderson, Bradette, Davidson, Francoeur, Heaps, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mallette, Mutch, Wood.

In attendance: Mr. C. P. Plaxton, K.C., Acting Deputy Minister of Justice, as Chairman of the Advisory Committee on Superannuation; Dr. W. C. Clark, Deputy Minister of Finance; Mr. W. C. Ronson, Assistant Deputy Minister of Finance; Mr. G. D. Finlayson, Superintendent of Insurance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance.

The Committee continued their deliberations.

At one o'clock p.m., on motion of Mr. Mutch, the Committee adjourned to sit again on Friday, March 10, at 11 a.m.

FRIDAY, March 10, 1939

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this date at 11 a.m. The Chairman, Mr. Malcolm McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Baker, Blanchette, Bradette, Heaps, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mallette, Mutch, Wood.

In attendance: Mr. C. P. Plaxton, K.C., Acting Deputy Minister of Justice, as Chairman of the Advisory Committee on Superannuation; Dr. W. C. Clark, Deputy Minister of Finance; Mr. W. C. Ronson, Assistant Deputy Minister of Finance; Mr. G. D. Finlayson, Superintendent of Insurance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance.

The Chairman, Mr. McLean, placed before the Committee the following communications for consideration, as follows:—

1. Submission "Facts about Superannuation," under the signature of R. McCracken, ex-Dominion Civil Servant.
2. Submission by Mr. R. D. Whitmore, President, on behalf of the Professional Institute of the Civil Service of Canada.

The Committee then continued their deliberations.

At 12.45 p.m., on motion of Mr. Mutch, the Committee adjourned to sit again at the call of the Chair.

WEDNESDAY, March 29, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this day at 11 a.m. The Chairman, Mr. Malcolm McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Baker, Davidson, Francoeur, Heaps, Hill, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mallette, Wood.

In attendance: Dr. W. C. Clark, Deputy Minister of Finance; Mr. G. D. Finlayson, Superintendent of Insurance; Mr. W. C. Ronson, Assistant Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance.

The Chairman, Mr. McLean, placed before the Committee for their consideration the following communications:—

1. Letter from Mr. James H. Stitt, Commissioner of the Civil Service Commission, Ottawa, Ont.
2. Submission by certain employees of No. 1 Aircraft Depot, RCAF, Department of National Defence, Ottawa, Ont.
3. Submission by Mr. J. A. LaFontaine, Inspector of Railroad Operation, Transport Commission, Ottawa, Ont.
4. Submission by Lt.-Col. R. P. Landry, Secretary of the Canadian Broadcasting Corporation, Ottawa, Ont.
5. Submission by Mr. G. W. Richardson and on behalf of other employees of the Canadian Broadcasting Corporation, namely, Misses I. Kirby, M. C. Lynch, J. Danis, G. Paradis, G. Appleby.
6. Letter from Mr. H. L. Sacret, Secretary of the Canadian Merchant Service Guild (Inc.), Vancouver, B.C.
7. Memorandum from Mr. H. Vallières, Ottawa, Ont.
8. Memorandum from Mr. Ralph Maybank, M.P., addressed to Mr. L. A. Mutch, M.P., concerning Mr. Thomas Doyle, 75 Noel street, Ottawa, Ont.
9. Memorandum respecting application of age-limit to civil servants appointed by Crown and given a commission under the Great Seal.
10. Letter from Dr. O. D. Skelton, Under-Secretary of State for External Affairs, Ottawa, and other correspondence concerning the promotion of an officer of that Department to an appointment as a Minister Plenipotentiary.

11. Correspondence exchanged between the Hon. C. A. Dunning, Minister of Finance and Mr. F. E. Bronson, Chairman of the Federal District Commission, concerning employees of the Commission.
12. Memorandum from the Hon. J. D. MacLean, Commissioner of the Canadian Farm Loan Board, addressed to Dr. W. C. Clark, Deputy Minister of Finance, concerning members and employees of the Board.

The Committee then continued their deliberations.

On Motion of Mr. Hill,

Resolved:

That the Committee ask leave to sit while the House is sitting.

Resolved:

That the Committee instruct Dr. F. S. Burke, Chief of the Medical Investigations Division, Department of Pensions and National Health, to attend at the next meeting to give the Committee some statistics regarding leave of absence on account of illness in the Civil Service.

At one o'clock, on motion of Mr. Heaps, the Committee adjourned to sit again on Friday, March 31, at 11 a.m. and that this next meeting be held in public.

FRIDAY, March 31, 1939.

The Special Committee appointed to inquire into the terms and operation of the Civil Service Superannuation Act met this day at 11 a.m. The Chairman, Mr. Malcolm McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Baker, Blanchette, Davidson, Francœur, Heaps, Hill, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mallette, Mutch, Pottier, Wood.

In attendance: Mr. W. C. Ronson, Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance; Dr. F. S. Burke, M.B., Chief of the Medical Investigations Division, Department of Pensions and National Health; Miss Edna Inglis, Vice-President of the Civil Service Federation of Canada; Mr. V. C. Phelan, President of the Civil Service Federation of Canada; Mr. Fred Knowles, Dominion Secretary, The Amalgamated Civil Servants of Canada; Mr. R. D. Whitmore, President of the Professional Institute of the Civil Service of Canada.

The Chairman, Mr. McLean, placed before the Committee a memorandum signed by Mr. H. C. Nolan, President, on behalf of the Dominion Public Works Association.

Dr. F. S. Burke, M.B., was invited to address the Committee. He laid before the members certain charts showing the amount of lost time due to illness in the Civil Service which he explained and after answering questions the witness was allowed to retire.

The Chairman conveyed the thanks of the Committee to Dr. Burke for the very valuable information supplied.

At 12.40 p.m., on motion of Mr. Mutch, the Committee adjourned to sit again at the call of the Chair.

ANTOINE CHASSÉ,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS, ROOM 368,

March 31, 1939.

The Special Committee to inquire into the terms and operations of the Superannuation Act met at 11 o'clock. Mr. Malcolm McLean the chairman presided.

The CHAIRMAN: Gentlemen, we have a quorum. Because Dr. Burke's evidence may be a little long and is going to be interesting and important I will call on Dr. Burke without any further preliminaries. I may say that Dr. Burke is employed by the Department of Pensions and National Health. He will give us this morning the result of a study of health conditions and the incidence of sickness in the civil service as shown by intensive study over a period of several years.

Dr. F. S. BURKE, Called.

The WITNESS: Mr. Chairman and gentlemen, I did not quite know the form the meeting would take and I did not prepare any definite speech for you. I am sure you will be glad to hear that. I had hoped that you would ask questions. However, if you will bear with me for a moment I will try to sketch briefly how this has all come about.

Back five years ago all certificates of illness in the civil service of Canada were simply sent in to the time clerks in various departments in order that they might check the days the individuals were away for the purpose of making up the pay-roll. If they ran over a certain number of days without a medical certificate they might possibly be considered as ill without pay. The certificates were never properly scrutinized by a medical doctor. If an absence was long I think they just took it for granted that it was one of those long illnesses. Now, out of this came a great many problem cases. As the years went on the problem cases collected in the various departments. Some departments have more of them than others. The officials of the departments were at their wits' end to know what to do with these problem cases. When a department of public health was formed they started sending the occasional one to the department to get a medical opinion on these problem cases, and the outcome was very satisfactory when medical science was applied to medical problems those problems were, in many instances, solved.

Now, we went on for several years and eventually the question arose as to whether or not it would not be well for the Department of Pensions and National Health to examine all medical certificates. That was brought about, I believe, by an amendment to the Civil Service Act which, I think, was passed in 1935. That amendment directed that all medical certificates be scrutinized and an opinion expressed as to whether or not the illness coincided with the proper length of time lost for the disease suffered.

As soon as these certificates began to pour in to the small bureau which was set up, and which I was helping to get going, I at once realized that here was an opportunity to study morbidity and the incidence of illness. Morbidity had not been studied to any extent in Canada prior to that time, because there was no large group of people suitable on which we might study morbidity. In the civil service there were 30,000 people, and the little bureau which was set up must know accurately—because we handled the length of time that these people were off duty for illness—must know accurately the number of days lost and the con-

dition for which the days were lost; and, therefore, the situation was ideal for making a study of illness, and this study has met with considerable success because it has solved a great many problems not heretofore known.

In making the study of those civil servants we studied diseases by sexes, by age groups and by length of illnesses according to the diseases suffered, and at the end of a year we analysed our findings, and at the time of the first analysis we had what we considered rather good evidence, so we invited Mr. Ronson to come down. He kindly came down on a public holiday and ruined the holiday for us; but we went carefully over the figures.

Now, the question arose as to whether or not the checking and scrutinizing of sick certificates, that were evidently long, and trying to shorten absences which appeared to be overly long, was going to pay. The only way we could find out whether we were making progress with the scrutinization of illnesses in the civil service was to go back a year or two and take a sample. Now, the Civil Service Commission are in possession of the number of days lost due to illness; they receive that information from every department, and they make it up into a total. We got that total from the Civil Service Commission for the year 1932-33, which was an average year—there was no great amount of sickness—and we struck a rate. That is, we took the percentage of the time lost due to illness and the total working days. Now, in that year, where there had been no supervision at all, the amount of lost time was 3·8 per cent. That is 3·8 per cent of the working time in 1932-33 was lost due to illness, and after we had some control over the certificates for a year we found the working time lost due to illness was 2·5 per cent. Now, 1 per cent of time equals about three days—actual working days. Therefore, the amount of time lost due to illness had dropped under our supervision—and I believe we were largely responsible for that drop, and Mr. Ronson agreed at the time when we went over these figures that we probably were—from 3·8 per cent to 2·5 per cent. If we translate that into days it is roughly 122,000 days or the working time of 408 people for a year. If you take the working time of 408 people you cannot say the amount of money is saved, but I can put a value on time and by applying what I believe to be the average salary, \$1,700 per annum, to 408 people it amounts to the very sizable sum of \$690,000. That money is not actually saved, but time is valuable; time is money; and that is the amount of money that the time represents.

What did we know about lost time in other industry? We knew very little, because not many of them at that time were keeping track of their illnesses except in the way of exact lost days. They did not know much about causes. But the Metropolitan Life Insurance Company did. So we wrote the Metropolitan Life Insurance Company and asked them if they would give us some information on their lost time. As you know, the Metropolitan Life Insurance Company is one of the finest organizations which we have with respect to the health of their working people. The last report from them showed, I think, that they lost about 2·3 per cent of their working days due to illness. The civil servants lost 2·5 per cent. We think that is a very fair comparison, considering that the service has to take in all grades of people from labourers to the higher officials.

We had one other comparison and that was the comparison concerning working people of Canada as obtained from the Dominion Bureau of Statistics; and in the last census they tried to obtain the amount of lost time due to illness. The information was gathered by the census taker. It is quite evident that the census taker did not gather up the odd half days, but the people would tell him the longer illnesses that they have had. Now, the records show that the working people of Canada, male and female, lost five and one-half days on the average per annum due to illness. In the year 1935-36 the service lost, apart from casual leave, sick leave on medical certifi-

[Dr. F. S. Burke, M.B.]

cate, that is official sick leave, was 5.4 days. In the next years they lost 5.9 days. Really that is a very close average. You cannot control illness from year to year entirely. As Dr. McCann told me the other day there is an irreducible minimum of sickness that we cannot get beyond.

For three years during this study the civil service has shown 2.52, 2.51 and 2.52 per cent of lost time. That is a very steady average of lost time, and we think from all the information we can gather that that is probably about a normal amount of lost time for an organization such as the civil service. We do not quite know how we could lower that. Probably, by giving us a little more money to spend in that division, extra medical officers and so on, we might be able to scrutinize these certificates more closely or to make more medical examinations; we might be able to advise the commission that certain people with long illnesses would be better superannuated.

By Mr. Heaps:

Q. That averages about the same as the Metropolitan Life Insurance Company, does it not?—A. Very close to it.

Q. Does the Metropolitan Life Insurance Company give their employees a medical examination when they are sick?—A. Very much so.

Q. Have we got about the same results with our examinations as they have?—A. Not quite.

Q. Almost?—A. Almost as good. The Metropolitan Life Insurance Company pay much more attention to the illnesses of a permanent servant. They provide little hospitals in their large offices; they have doctors; they give treatments; and they give their employees sanatorium care if they have tuberculosis, and so on. Also, they have a very strict examination on entry, and if there is anything at all which seems to be the matter with an applicant to the Metropolitan Life Insurance Company they examine the applicant in three months, six months and nine months until they are positively sure that person is not going to come down with an illness except those that cannot be foreseen; otherwise they will not accept him as an employee.

Q. I think it speaks well for our own civil service that we have so good a standing in spite of the strict examination that the Metropolitan Life Insurance Company gives to its employees.—A. There is a great deal of illness that cannot be foreseen. All one can do is take the best material possible and look after it after you have once picked it.

Now, gentlemen, that is a brief outline. I have any amount of material that will show you where the sickness falls—what groups are more inclined to be ill. As a matter of fact, when I undertook to do this work in the first place—to make a study of the work—I already knew that a great many were ill more than once a year, some of them were ill several times a year, and I have tried to segregate that group from the group who are ill once, or more or less normally ill once a year, and that has been a very enlightening study.

Most of you have these blueprints before you. If you would look at the second one, the diagram with chains, it is not very clear. These sheets were prepared just for the moment, and while the figures are accurate the drawing is not very good. There are supposed to be three bars: time lost; civil servants; and illnesses, and each of those bars represents 100 per cent. Now if you will look at the centre one which is "civil servants" you will notice that the top part of it is marked 72.8. In that year approximately 73 per cent of civil servants were not ill in any way that we know of.

Take the checkered space at the bottom—20.2 per cent—if you notice the chain that goes out to the right hand side marked "illness" you see 20 per cent of the civil servants took 53.5 per cent of the total illnesses. In the white square above 7 per cent of the civil servants took 46.5 per cent of the illnesses.

That is 27·2 per cent were ill in that year and about 73 per cent were not ill at all; but the 7 per cent produced the problems—the 7 per cent produced nearly as many illnesses as the 20 per cent, and that is the group which requires more medical attention than ordinary. It requires more than the average amount of medical care.

Q. Do you show the ages of these people who took that percentage of time off?—A. Yes. We have the ages. The ages probably run more in the higher groups than in the lower groups. Now, if you will look at the first sheet with the three graphs on it, down at the bottom you will notice the proportion of the civil service that comes under the regulations—females, males and the total: 16·4 per cent of the service females and 83·6 per cent of the service males, and the number under each age group is shown in the little chart. At the right-hand side are the totals: 5,700 females and 29,000 males. In the top graph, illness among males is the heavy white line by age groups. I take males because there are 29,000 of them, and the steadiness of large groups is more important than the fluctuation of small numbers. The males run a very steady curve, increasing a little in the time lost by the people sick as the years go on; but on the whole it is a very steady curve. The female curve jumps from the 25- to 29-year age group, and while it is higher than the males it remains very steady from then up to sixty years of age. The sudden drop at age sixty for females is not reliable. We should place no credence whatsoever on the sudden drop because if you will note at the bottom there are only fifty-three females on which to base that drop, and nine of them were sick that year. If you take the number of females over sixty-five years of age coming under the regulations there are only fifty-three of them, and if you take the number of females sixty to sixty-four years of age which is shown in graph 2, there are only 152 of those.

By Mr. McCann:

Q. They would not be fooling you on their ages, I suppose?—A. Dr. McCann would know that better than I. Now, in graph 3 we have tried to find out the average amount of time lost by age and sex over those two years. That shows every time they are ill and how much time they lose on the average. You will notice the males steadily climb as do the females, but they do not take quite as many days on the whole. Then the two years 1935-36 and 1936-37 show exactly the same trend. As you get older your time for illness is longer, and we have tested that. In the first year marked we tested about 11,000 illnesses and in the next year there is a test on about 13,000 illnesses. I think you will agree that probably it comes within a fairly accurate range.

The next graph, the double-jointed graph marked "males-females," shows the conditions from which these people suffer, and it is interesting to note that they are put in the order of precedence into which they fall. Grippe and influenza are by far the largest time-losers. As a matter of fact, grippe and influenza take a large part of the top bar. The digestive system in the males is the next most important, and then come accidents. We have made a study of these accidents and we find that as men grow older they seem to be more subject to accidents. The younger group do not suffer many accidents except in a few cases—young females who go out skiing or are hurt at games by straining a tendon or something like that or get hurt in automobile accidents, although automobile accidents do not score as strongly as I thought they might at the beginning. I have the total which I will give you in a moment. With respect to accidents, some people seem more prone to them than others, and we took out a study to show those suffering from a second accident in the same year, and again they fall chiefly among the males in the age groups forty to fifty-five—in that span of years.

[Dr. F. S. Burke, M.B.]

The next graph is, we think, a new departure in trying to find out about illnesses. It shows the number of times that certain individuals are ill in a fiscal year. It shows male and female and the stated times ill and indicates the number of days lost. Now, the first times ill includes, as you saw in that previous graph, those ill once and represented 53 per cent of illnesses, those ill two or more times are shown in the large bracket at the right-hand of the graph. It shows the distribution of illnesses. The value of this is that we can select, say, three times ill and more—we can select these people and when we have time and opportunity examine them with the object of finding out why they are ill so many times. We have accomplished that on one occasion, and the result was fairly gratifying. We found out why they were away—in most cases quite legitimately. In one case one of the greatest time-losers we had was a young girl, and we had her examined and it was found she was badly in need of medical attention and an operation. The operation was performed about three years ago, and we have hardly heard of her since. Our influence in that case was certainly for the girl's own good, and we have done that on several occasions. Then we have a clear picture of those who require more than the average amount of sick leave and we can get at them and when time permits we can examine them.

The next graph is "retirements" in the fiscal year by age groups and sex. In the little chart you will note "under fifty years, 63" were retired for medical reasons in that year sixty-three people on medical grounds. There was one male between twenty-five and twenty-nine.

Those in the younger age groups are largely tuberculosis and nervous cases. They are definitely mental or functional nervous cases. The functional mental or nervous cases are the ones that are much more prone to raise ructions in various departments and cause a good deal of ill feeling and discontent among groups of workers.

By Mr. Mutch:

Q. By nervous cases you mean mental cases, do you?—A. Functional nervousness. Yes, they are. Not definitely with pathology of the nervous system, but it is certainly a nervous condition.

On the right of the graph you will see the three chief causes for which retirements were given: cardio-vascular diseases, 55 retirements; diseases of nervous system, 40 retirements; nervous diseases complicated other diseases 19 times although they were not the chief cause of retirement. We have been trying to find out about these functional nervous cases and the disturbing influence they have amongst various groups of workers.

Then there are respiratory diseases which caused twenty-three retirements. Under the three main groups there were retired 118. Other causes are given as: rheumatism, 15; cancer, 6; all other, 29.

From that study we have a fair idea of why people are retired from the service, and our department must make a confirmatory examination of all people retired under sixty years of age.

Mr. Chairman, if you will permit me I will stop here and welcome questions.

The CHAIRMAN: I think, Dr. Burke, that you have given sufficient information to the committee to enable them to ask questions according to what subject they may be interested in. I am sure that many members of the committee wish to ask questions.

The WITNESS: I wonder, Mr. Chairman, if I might indicate the amount of work that this involves and the small division to which I belong?

The CHAIRMAN: Right.

The WITNESS: For the months of January, February and March of this

year—the three months just ending—we handled 7,278 sick certificates. We received them in the department, we scrutinized them and stamped them and sent them back with our remarks to the department concerned. During those three months we interviewed or examined 1,618 people sent to us by the various departments for various reasons. At the Daly building we conducted 193 examinations for permanency on the long form. I borrowed these proofs from the broadcasting corporation because they propose having medical examination, and this is a new type of form proposed for the Civil Service Commission which we have designed. It is not a true form; it is only a sample. It shows you the type of examination that we try to carry out and those we made at the Daly building numbered 193, and we had 51 made at outside points.

By Mr. McCann:

Q. Out of those examinations how many rejects did you have?—A. I do not know exactly. We make our recommendations to the Civil Service Commission and they are the ones who make the rejections. I might state that in making these examinations we try to be as fair as possible to the applicant. Within this last month I could state some concrete examples. A young boy came down for examination. On the first test we found sugar in the urine indicating diabetes. We did not immediately reject that young man as an insurance company might, but we asked him to come back two or three or four times over a period of weeks to find out whether or not the sugar is actually permanently there. If we decide it is we recommend him to go to his family doctor and go under treatment, and we ask the Civil Service Commission at the same time to put this application in abeyance for three months or six months or whatever time we judge would be necessary for this applicant to get proper treatments through his family doctor. In time we get a statement from the doctor and again examine the man ourselves. We have found very definitely two cases in which there was sugar—several cases in which there was albumen in the urine—we have found old tuberculosis and hernia and such conditions as that. That is within the last month.

By Mr. Lockhart:

Q. Are those cases brought in from all over Canada or just from Ottawa?—A. The cases we examine in Ottawa are local cases, but we are in a very fortunate position in the department because it was agreed at the outset that my division might use the whole machinery of the pensions group for the purpose of having examinations made. The result is that we can get examinations made in any town or city in Canada. Most of the examinations are made in the large centres where we have salaried staffs for pensions purposes. The examinations are made at no cost except, possibly, a book entry. When there is no salaried medical officer we have what are known as medical representatives of the department on schedule fee basis, so we can have an examination made of these men, and they are splendid examinations too, for the sum of \$3, which we pay.

By Mr. McCann:

Q. Is it proposed that they will use this form?—A. Yes. The regulation form is sent to them with definite instructions to make the examination and also the request to send in their bill in triplicate for \$3. These examinations have not cost us much in the past—\$400 or \$500 a year only. So that you can readily see that in the department we have excellent machinery to carry out these examinations and have them well done.

One of the things that has been worrying us a little bit is that we have not any money to spend in my division for the carrying out of examinations

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involving expenditure of money on things like X-ray and gastro-intestinal series and the like. If we had a little money we could often have that kind of examination made.

By Mr. Mutch:

Q. Would it be possible to have the examinations made in pension hospitals where there are any?—A. We are already doing that. We have had fifty-one made.

Q. Will they make those X-Ray examinations and that type of thing?—A. Yes, they do it at the request of the director of medical services, because there is a certain expenditure in the case of electrocardiograms for films—a certain outlay of money which the pensions people should not be asked to pay for the civil servants.

By Mr. Heaps:

Q. At present are you making any examinations of the members of the civil service? I understand you have answered that question for Mr. Mallette.—A. Do we examine them?

Q. Yes.—A. Yes, we have started. We have been doing a certain amount of work on problem cases for some time, and within the last two months or in the first three months of this year we have made 193 such examinations.

Q. Free of charge?—A. Absolutely.

Q. I am just wondering, doctor, whether if we had some form of health survey in our civil service it would be conducive to a more efficient service all the way around, and whether we could not inaugurate a periodical medical examination for the whole of the civil service staff, not only in the city of Ottawa but to have the whole Dominion of Canada under, say, the superintendence of the Department of Health. I do not know whether you have given any consideration to a problem of that kind, but if you have I would like to hear your viewpoint.

The CHAIRMAN: Mr. Heaps, would you mind if, before Dr. Burke deals with that, he answered something else first. I would like him to say what he does now with the individual who has applied for the first time for entry into the civil service and what he does now with the civil service right through, and then he could deal with the matter you have spoken of, as to what he thinks should be done.

Mr. HEAPS: My question was far behind the mere question of entering into the civil service of an individual. I am thinking of health surveys even for five, ten or fifteen years.

The CHAIRMAN: Quite.

Mr. HEAPS: But I have no objection to witness answering your question and going on to the question I have asked.

The CHAIRMAN: What I would like to hear is something about the treatment that is being given now—the service that is offered now to a civil servant from the beginning. The answer to your question would be to point out what Dr. Burke might think would be desirable for the service. Would that be all right?

The WITNESS: That is all right. We receive a request for the examination of an individual or a group of individuals from the Civil Service Commission. We then make an appointment for the individual to come and be examined.

By Mr. McCann:

Q. Now, will you make that clear to the committee. The question which Mr. Heaps asked was with reference to entering the service. As a matter of

fact, your examinations are prior to giving permanency in the service—most of them?—A. No. When an applicant has been examined for his efficiency or suitability for the position in the service—when it becomes likely that he will be given a permanent position, they cannot proceed further with the matter until he is medically examined.

Q. Now, will you take a case. For instance, a boy or a girl is going into the civil service and they have to have a medical examination. That examination may be made by a private doctor; is that not the case?—A. That was the case.

Q. Until when?—A. I have a letter here from Mr. Foran to the deputy minister in which he states that all examinations in future will be referred to the Department of Pensions and National Health, and that the roster of doctors who heretofore have examined would be notified to that effect. The date is April 12, 1938.

By the Chairman:

Q. And is that in effect 100 per cent now?—A. It took a while to get that into effect, but now we have information from the Civil Service Commission that they are sending all their permanent examinations to our department, whether in Ottawa or anywhere else in Canada.

Q. All of their permanent examinations?—A. That is examinations for permanent positions in the service.

Mr. McCANN: That is the point I am making.

The CHAIRMAN: Yes; but that does not include those examinations for positions that are being temporarily filled or which later may be made permanent?

The WITNESS: Yes, it includes those also; because if an individual is put into a position which in all probability will become a permanent position they ask us for an examination.

The CHAIRMAN: That covers all branches of the service, does it?

The WITNESS: Well, there is one exception to that, as you will readily see. In the Post Office Department in a large city like Montreal where on a given day there may be five or six men off and they have to have postmen and letter carriers to put into those positions that very minute, we have an arrangement with our district pension office in Montreal whereby the post office may, at their discretion, by getting into communication with our district medical officer, have those individuals examined on a shorter form. That is only to keep the wheels of industry running. It is a necessary thing. As you will readily agree, they cannot take a man who may have some infectious disease and give him a bundle of letters and allow him to go out and distribute them over a letter route. It is quite impossible. These men must be examined before taking on duties where they meet the public.

By the Chairman:

Q. They are temporary employees?—A. A good many of them will always be temporary employees.

Q. That covers 100 per cent of the civil service if it is steadily employed and likely to be permanent, including the government service and the civil service employees themselves and that class of employees?—A. Yes.

By Mr. Davidson:

Q. How does that apply to the customs and immigration officers who are put on as seasonal men?—A. Most of them are permanent civil servants and they come under our jurisdiction just the same. As a matter of fact, there are some seasonal men who are from sixty-five to seventy years of age who have

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worked on the canals for years and we have had to examine them to see whether they were fit to go on for another year or not. We have stopped that now because a good many of them have been retired.

There is Mr. Heaps' question concerning a periodic examination.

The CHAIRMAN: Did you finish the request you had put to you before? I am asking you that for the sake of the record?

The WITNESS: We examine on civil service form 118. That is the long form of examination.

By the Chairman:

Q. You examine once?—A. We examine once.

Q. But you never touch the employed man?—A. Not unless we are requested by his department, or a sick certificate comes up that indicates to us that another examination should be made either for the department's sake or the man's sake. We gather information from sick certificates as they come in as to whether or not it would be wise or desirable to have an examination performed in order to get the true facts in connection with some of the long illnesses.

Q. Periodic examinations?—A. Periodic examination, if carried out regularly, would be rather a costly thing, but I think I can say for my minister that he agrees that it should be done once or that it should be done when convenient. I think we all agree it might be a good thing to have every civil servant thoroughly examined. It might do the civil servants a lot of good and it might do the department in which they work some good as well. We might find conditions on which we could advise the civil servant to get under medical treatment. We think it should be a good thing, sir, to have an examination at least once, of every permanent civil servant.

Q. Once in how long?—A. Well, I believe that from the results of a first examination we could better state at what intervals an examination might be carried out.

Q. The idea concerning those in the service now is that they be examined medically once as soon as convenient?—A. Yes.

By Mr. Mutch:

Q. Would it be an expensive proposition to examine the civil servants through the Department of Pensions and National Health—to give them a service, for instance, somewhat similar to that which the New York Life and some other of those companies offer to their policy holders? In your opinion what would the value of that be?—A. I think the value would be considerable, but I would not like to answer the question with respect to cost, or whether we could do it or not, because that is a matter of policy for the department.

Q. It would require a large staff. I would not recommend it. I was asking concerning the advisability or feasibility of it. It would not be possible with the present staff?—A. At some of the outside points where we have district military hospitals, if my minister would agree that these people could be seen at these military hospitals, it might be feasible; but I would not like to be quoted on that, because it is a matter of departmental policy.

By Mr. McCann:

Q. Will you give us some information with respect to the incidence of disease among returned men who are employees of the government and who would come under the Superannuation Act?—A. Dr. McCann, some years back we started out to gauge illnesses as suffered by returned men and we found after working on it for a while, that they had no more illness than the average civil servant. So we dropped it as work that was not profitable.

By Mr. Mutch:

Q. Was that information given to the pension department?

Mr. HEAPS: Mr. Chairman, I will make a suggestion to the Civil Service Commission. There are approximately 70,000 employees in the civil service at the present time.

The WITNESS: Not as many as that.

The CHAIRMAN: That number would include postmasters paid on a commission basis and that sort of thing.

Mr. HEAPS: What is the total number outside of the postmasters?

Mr. RONSON: The total number of government employees of all classes would not be far from 60,000, but Dr. Burke is speaking of those who are under the Civil Service Act, and they will number, I think, around 30,000 or 33,000.

Mr. HEAPS: When I am speaking of government employees I do not like to distinguish between those who are under the Civil Service Act and those who are not. It is not altogether fair. I have in mind to give to the civil service a certain amount of protection from a health standpoint as Dr. Burke said we could give to them. I realize that to give to them a reasonable amount of health protection would require an extra amount of staff which, perhaps, the government or the department would not be prepared to do at the present time. I think a very small annual sum contributed by the employees themselves might perhaps be something that would be worth taking under consideration by the civil service, and that would give them proper and adequate staff facilities to furnish them with a proper examination and with all the equipment that might be necessary for such a service. Now, I am putting this suggestion to the service, and I believe that a proper medical examination whenever it is required, as it is suggested by the doctor this morning, would be a very desirable thing both from the standpoint of the employees and the Civil Service Commission.

The WITNESS: Mr. Chairman, I believe that the Public Health Act under which our department operates gives our minister the authority to undertake any work which parliament may refer to him. If parliament desires to tell our minister to make a certain number of examinations or to carry out certain work it is entirely a matter of government policy.

By Mr. Pottier:

Q. At the present time if a civil servant wants to be examined and makes an application to your board voluntarily, would he be examined?—A. I think, generally speaking, he would be although you can realize that if we threw our doors open we would be swamped with unprofitable work; but if a department asks us we certainly make the examination and report back to the department.

By Mr. Mutch:

Q. Would not this be the situation with regard to that: that if a person had been sick or perhaps was repeatedly sick and asked for an examination, he would certainly get it, would he not? Whereas a man who had not been ill at all might not?—A. Unless, of course, he came in and was obviously suffering from an infectious disease that was apparent. In that case we would take action immediately. However, as soon as a civil servant becomes ill we have a little file in which we keep all the results of his illness, and if a man comes in and asks for an examination we will first of all draw the file and from the evidence on that file we will decide whether or not we will examine him. Apart from that, if a department wishes an examination we will certainly provide it.

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By Mr. Heaps:

Q. How many active cases have you on file at the present time?—A. I think we have about—in the five years we have been operating—probably 25,000 names on our files, but they are not all sick at once.

Q. No; but how many cases are you confronted with at the present time?—A. I can tell you exactly for 1936-37 that out of 35,000 civil servants coming under the regulations the number ill on medical certificate were 9,543. They had 13,000 odd illnesses. Some of them were ill more than once. So that the amount of work, therefore, that passed through our hands—files or examinations—in Ottawa we saw a certain number of these people—but the number of people who went through our books amounted to 9,500 odd.

Q. You did not examine those cases?—A. Oh, no.

Q. What I am trying to find out is exactly how many cases—persons came under your care?—A. For the first three months of this year, 1,618 came to the Daly Building to see us. That is January, February and March of this year.

I see that I shall have to speak about the staff and tell you how many of us handled that much work. I have two medical officers besides myself working with me at the present time. One is permanent and the other is loaned from Montreal. We have two stenographers and one statistical clerk.

Q. Did three doctors handle all those cases?—A. We did.

By Mr. Mutch:

Q. That would be 500 apiece for three months?—A. Yes. In one day alone we had 261 certificates and sixty-one people sitting on the bench. Our staff is not large enough, gentlemen.

Q. Would you care to venture an opinion as to the possible effect of a fairly rigid medical examination on entry into the civil service upon that class of people who come in under the overseas service preference?—A. Oh—

The CHAIRMAN: We had the evidence of Dr. Cathcart, you remember, and others for the pension department that the returned men, contrary to general belief sometimes, seem to enjoy better health and more immunity from illness than the rank and file.

Mr. MUTCH: I think Dr. Cathcart thought it was a virtue, but I wanted to see.

By the Chairman:

Q. Dr. Burke, I do not know whether you consider you have answered Mr. Heaps' question in full as to what might be done by way of health surveys for those in the service. You said that one thorough examination might be had when convenient, of all those now in the service. I wonder if you would follow that along now or tell us that you have no further evidence along that line.—A. I can only state what we have been thinking—

Q. Yes, of course.—A. We have been thinking in our group that works with these illnesses that it might be profitable to extend this service slightly, not to the point where we would give treatment, but to the point where we might give advice. I think if we could advise the civil servants—if we had the time and the opportunity to advise them as to where and when they should seek good medical advice, that we might improve our health records materially.

By Mr. Heaps:

Q. Do you think it would require extra help in your office under those circumstances?—A. Yes, there is no doubt about it. We only have enough medical officers now to just get by. My office has two functions: one is to make medical studies and one is to look after the civil servants; and when the work of the civil service is heavy the medical studies suffer.

Q. Do you think that an examination once a year would be too frequent?—A. I think, yes.

By Mr. Mutch:

Q. That would be roughly 60,000 examinations a year?—A. Yes, it would be quite a large task. I think we might be well advised to have it done once and from an analysis of that report decide at what period it might be profitable to again examine; but I think if it was done once and an analysis made then we could make some statement as to the future.

Q. You do not think that an examination on entering into the service is sufficient for them, because obviously if you thought recurring examinations were necessary you would not advise the applicant in the first place?—A. Yes, that is partly true; because if you remember the age graph, the incidence of tuberculosis is probably in the teen years. In those years, without a minute X-ray examination, it is very difficult to diagnose it, but it may become quite apparent at twenty-five years of age. I believe—Dr. McCann will correct me if I am wrong—a great many of the diagnoses are made between twenty and twenty-five years of age—they call that the age of incidence. That is the clinical picture. Actually they may be suffering five years earlier. The examination on entry among those younger individuals would not cover the picture for a period of years.

By the Chairman:

Q. As considerable attention is given by the provincial authorities to tuberculosis, would it not be sufficient when a suspicious case arises to send it to the provincial clinics and have that person get the service as a citizen rather than as a civil servant?—A. Mr. Chairman, we try to give the civil servants as good attention as possible.

Q. Quite.—A. In cases of tuberculosis we usually call up the family doctor and tell him what we believe or think; and many of these individuals get to the provincial clinics. As a matter of fact, I think that in the large percentage of cases of tuberculosis we get our reports from the sanatorium. As you can readily see, we must, where possible, work through the family physician.

By Mr. McCann:

Q. I see in chart 8 which gives retirement at 35-36, a note, "Retirement in the younger age groups suggests that a more thorough medical examination be made before permanency in the service is granted." That is really corrected now. I mean, your proposed plan of examination is what has followed as a result of this observation?—A. That is quite correct, Dr. McCann.

The CHAIRMAN: I wonder if the committee would like to invite Dr. Burke's opinion as to the incidence of disease in the older groups related to the point that has been studied as to voluntary retirement at age 60 and compulsory retirement at age 65, or something relating to the evidence that has been given?

Mr. MUTCH: With respect to that, you might ask whether or not this problem of extension arises. If we are going to do away with all extensions of service after the age of 65, it probably does not arise. At the present time there are quite a number of people up to 70 years of age in the service. Also what would be the feasibility of demanding a medical examination before extending anyone past 65 years of age?

The CHAIRMAN: I think we should keep in mind, in connection with Mr. Mutch's question, that we are not charged with recommending retirement at any age except as it affects superannuation.

Mr. MUTCH: If superannuation were started at 65, or if this committee chooses to recommend that superannuation benefits do not increase at any particular age, that would be about our duty.

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The CHAIRMAN: Or would the committee like Dr. Burke to give us an opinion?

Mr. MUTCH: Since superannuation stops at 65, I do not think it concerns this committee.

The CHAIRMAN: It is just a matter of optional retirement at 60 with full superannuation or compulsory superannuation stoppage at 65. Illness might affect that. Is there anything you would like to say to us, Dr. Burke? We want you to feel perfectly free; we are not pressing you.

The WITNESS: I am really enjoying myself. I think if you will take the numbers as on this first black chart, take the numbers down at the bottom "under 64—females 152"; and "under 65 and over—53"—that is really a very small number of people, after all, sir.

By the Chairman:

Q. What is the number again?—A. 152 between 60 and 64 years of age.

Q. Cases of illness?—A. No, no; 152 females in the service.

Q. As a total in the service?—A. Between the ages of 60 and 64 in the service coming under the regulations. That must be remembered, because I am only dealing with 35,000 people.

Q. What is the record of illness in those cases of which you have knowledge?—A. Between the ages of 60 and 64 the percentage of people ill is very little, as you will see by the top graph. It is very little more than the age groups immediately below. It rises a little bit. Perhaps we should not try to cast a percentage on 53 people.

Q. Because only the fitter ones will be retained over 65?—A. I believe that is true. A question was raised about examination of those over 65. I think I told you that we did carry out some examination of the seasonal employees on the canals. They were quite old men, older than I am. They were examined each year for their fitness to go back on seasonal employment. We are not doing that any more because I think a great many of them were retired eventually. They were 70 and 75 years of age.

By Mr. Mutch:

Q. What did you find in connection with those cases—anything outstanding?—A. That is a hard question to answer, but the usual diseases that afflict men of that age—advanced heart disease, rheumatic conditions, and such like.

Mr. MUTCH: I do not know whether my question was very much out of order. Apparently under the Superannuation Act as it is at present superannuation benefits extend up to the age of 70, although under a treasury board regulation they have to have renewals over 65.

The CHAIRMAN: For those who have not their full period of service completed; is that it, Mr. Ronson?

Mr. RONSON: They retire at 65 unless exempted by the treasury board.

The CHAIRMAN: If they are continued by the treasury board is their superannuation increased?

Mr. RONSON: Oh, yes.

The CHAIRMAN: As long as they are in the service?

Mr. RONSON: Provided they are not over the 35 years.

The CHAIRMAN: If they have 35 years of service and have earned superannuation, employment after the age of 65 does not affect further superannuation benefits?

Mr. RONSON: No.

The CHAIRMAN: I think that answers Mr. Mutch's question. Are there any other questions the committee would like to ask Dr. Burke?

By the Chairman:

Q. At the commencement of your evidence you told us that you made a comparison as between the incidence of illness, involving 35,000 cases, in the permanent service with the Metropolitan Life?—A. Yes, sir.

Q. Have you any other industrial corporations or large industrial services with which to compare that? I gather that you did not make any such comparison, but I just wanted to make sure for the record.—A. It was very difficult, Mr. Chairman, to get a comparison because of the manner in which some of the corporations kept their records. If health insurance or accident insurance is involved you will understand that any absence under seven days very often does not come within their scheme at all. As a matter of fact, the Workmen's Compensation takes no credence of an accident that is under seven days. We are making plans now to find out something about these illnesses under seven days. We hope to be able, if we can get around to it, to use our own department as a sample to begin with. There is very little known about short illnesses.

Q. Your service in connection with civil servants includes illnesses of what minimum duration—one day or two days?—A. Perhaps I had better explain the question of casual leave. The Civil Service Commission in its regulations state that an individual may have eight days casual leave in a year. This amount of casual leave was largely granted because of diseases peculiar to women. In the first place, it was 12 days, but I think about 1934 or 1935 it was cut down to 8 days.

A civil servant may take up to 3 days as long as he has any of the 8 days left. He may take 3 days for purposes of illness, from a half a day to 3 days on his own certificate. If the time is more than 3 days he must have a medical certificate which comes to us. Now, they can keep on taking small periods of sick leave on their own certificate until they have used up the 8 days. As soon as they have used up the 8 days, if they require more, they must get a certificate which comes to us. Therefore, when individuals start to come in for short periods of sick leave we immediately know that they have completed also 8 days casual leave. So we have some knowledge of the situation.

At the beginning of a fiscal year the civil servants are all credited with 8 days casual leave which they can take at their own discretion. I am sure it will interest this group, sir, to know that the civil servants who might have taken 8 days casual leave, in the 3 years that we have studied, have taken 1½ days average sick leave.

By Mr. McCann:

Q. In view of that fact and the fact that there is no uniformity among people physically, would it not be just as well if that regulation were off the books entirely?—A. No; I think the regulation is a retarding factor. I think it is necessary to have something in there. I bring up the point to show you that if all of the 35,000 civil servants took the full 8 days allowed to them, the total time lost would be 280,000 days, more than the whole time taken for sick leave on medical certificates.

By Mr. Mutch:

Q. The mere fact that they do not abuse it would be no reason for doing away with it?—A. No. I think you must have something in there to apply the brakes. The civil servant does not abuse his casual leave. I think it is very creditable.

[Dr. F. S. Burke, M.B.]

By Mr. McCann:

Q. It is an antiquated resolution that was based on a conception of likely illnesses in individuals which in view of our recent knowledge does not apply?—

A. That is quite true, Mr. McCann; but you all know that any one of us may suddenly be taken with a bad cold and be obliged to stay at home with our feet in a mustard bath drinking ginger tea, and the next day you are pretty well all right and go back to work.

The long illnesses, of course, demand a doctor, but I think we should still permit the civil servant the right to doctor himself for one day at his own discretion.

By the Chairman:

Q. Dr. Burke, you told us that this 8-day provision was based on conditions among the female workers very largely, but it is carried over to a very much larger group of men who are in the service?—A. Yes; it applies to all civil servants.

The CHAIRMAN: But the percentage of men employed is very much greater.

Mr. McCANN: Six for one, at least.

The CHAIRMAN: Yes. Would there not be something in that to warrant Dr. McCann's opinion that it should not be automatic for the whole service?

Mr. McCANN: Yes.

Mr. MUTCH: What is your objection when it is not abused?

The CHAIRMAN: We have nothing to show whether it is abused. The fact that only one and a half days per civil servant is lost might indicate a great abuse among a certain percentage of them.

The WITNESS: Sir, I can answer that in part. If you go back to that second black chart showing 7 per cent of the people that require more than the average amount, they are largely the people who take all the casual leave as well.

By Mr. Lockhart:

Q. Referring to the first chart, do you care to answer at the present time as to the significant rise in the age of 25 to 29 as between the males and females? There seems a significant jump there in connection with sick leave. There is a distinct jump among females at that age over males. From that time on it runs more or less parallel.—A. I can offer some slight explanation for that. Under 25 the individual is just coming into the service. Now in the next age group, apparently amongst the females, they have considerable medical work done; they have tonsils removed; they have a certain amount of what appears to be necessary medical work, dental work, and so on. It seems to take place in that age group.

Q. It is more prevalent amongst the females than the males, apparently?—A. Yes, it is. We have tried to explain that but we have not got a very good explanation for it yet. I have a comparison for it. From Winnipeg I have a copy of a report on illness amongst those on relief. They show a decided rise in the next age group of 30-35. We have found that rise every year in that particular group, sir. Of course, these charts will fluctuate, as you may well understand, from year to year.

Q. It is so marked in this chart that I thought there might be some explanation.—A. They seem to demand more medical care.

Mr. MUTCH: It is the same in all groups, too.

Mr. LOCKHART: Yes.

By the Chairman:

Q. The years you have completed are 1935-36 and 1936-37?—A. Yes, sir.

Q. You could not give us, I suppose, any relative figures as to what the trend is in 1937-38, for instance?—A. The figures are still at the bureau of statistics. They are tabulated but they have not been classified.

The CHAIRMAN: I notice in this brown covered book—"Lost time due to illness by departments"—there is an extreme range in two lines, one immediately following the other, the third and fourth line on that page.

Mr. MUTCH: What page?

The CHAIRMAN: The pages are not numbered, but it is chart number 1. There is an extreme range of time lost running from 3·4 to 0·4 in another department a little lower down. There seems to be some reason for that. I wonder if Dr. Burke will tell us the reason?

The WITNESS: For some reason or another, sir, we have had a little higher sickness rate under the finance than in most of the other departments.

By the Chairman:

Q. How does that compare with the staff in another department where there is a loss of 0·4? Would that have something to do with it?—A. The larger a staff is the better the average that can be struck. Sometimes a small staff may show up badly or well, according to the number who are sick in a particular year.

Mr. RONSON: The explanation is that they work much harder in the finance department.

The CHAIRMAN: Very fair. But that brings up an interesting question: Does hard work lead to illness?

Mr. MUTCH: I do not think the interpretation would stand investigation. There is a sense of security in some of those departments which offsets worry.

The CHAIRMAN: Are there any more questions the members would like to ask Dr. Burke? If not, I should like to thank Dr. Burke for his very clear evidence on the studies carried out by him. No doubt from time to time there will be more evidence available, whether for this committee or another committee. Dr. Burke, I am sure all the members are grateful to you for coming here, and on behalf of the committee I want to thank you for the reports you have given us.

The WITNESS: Thank you, very much.

Mr. MUTCH: I move that we adjourn.

The CHAIRMAN: Mr. Ronson, is there anything that you wanted to say to us?

Mr. RONSON: No, sir.

The CHAIRMAN: It is moved that we adjourn. Is it agreed?

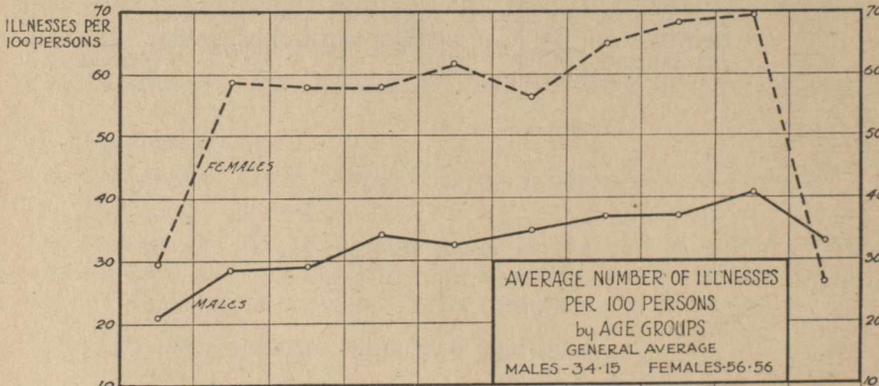
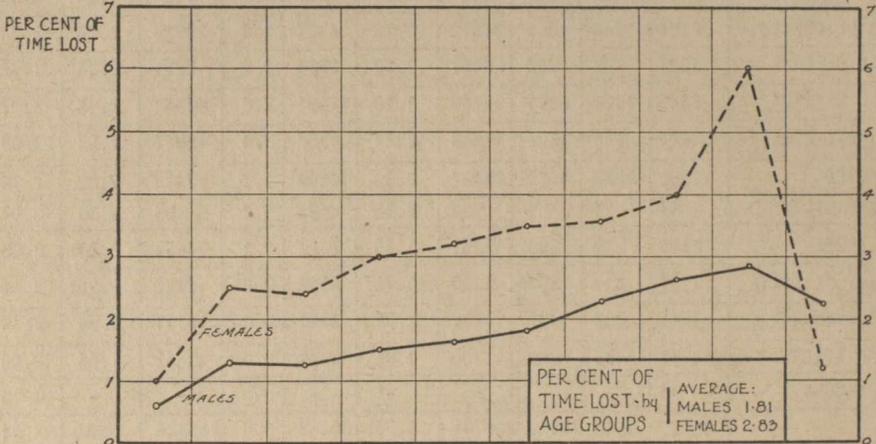
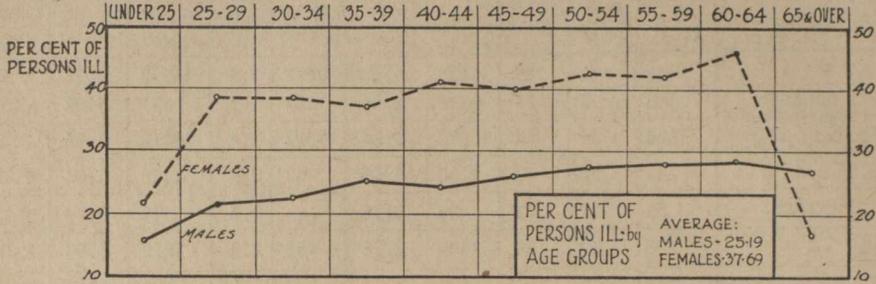
Mr. McCANN: Agreed.

The CHAIRMAN: We shall meet again at the call of the chair. Possibly the next time we meet we shall be able to start on our report. As far as we can tell now the next meeting will be in camera.

(At 12.40 the committee adjourned sine die.)

CIVIL SERVICE SICK LEAVE 1936-1937

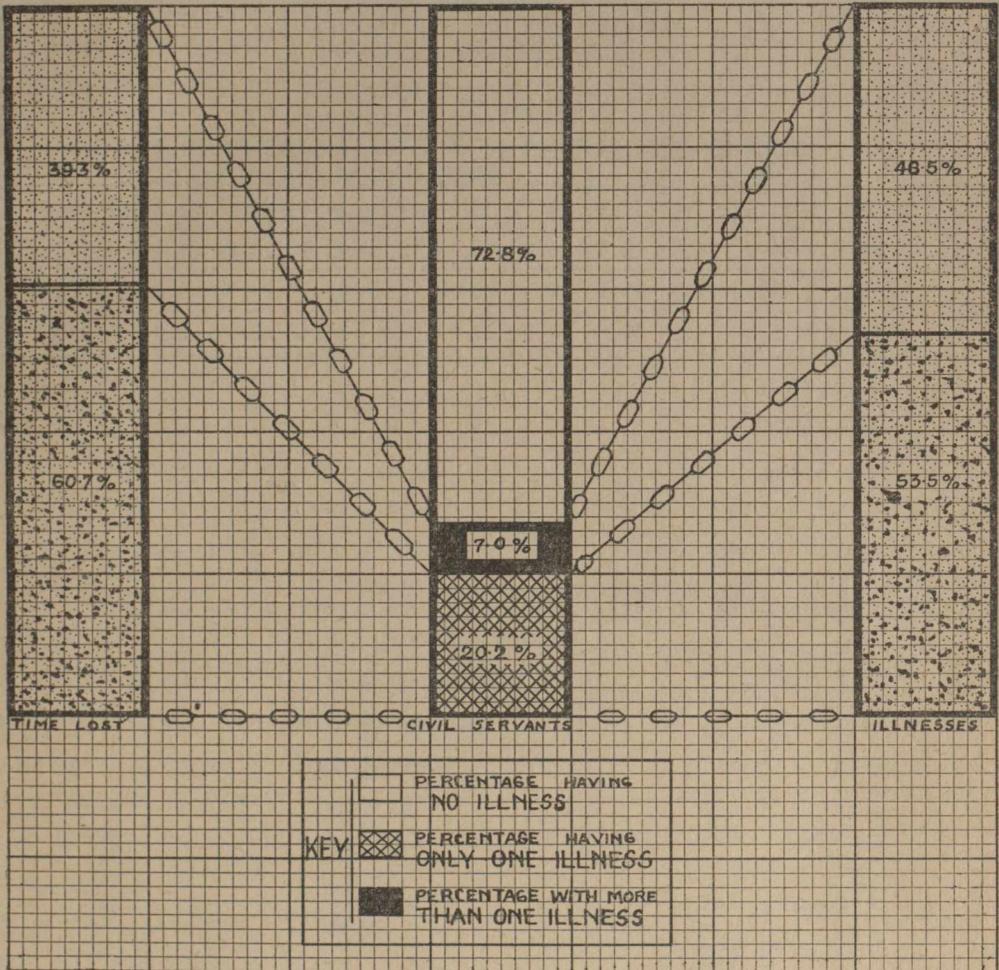
AGE GROUPS



| AGE GROUPS | UNDER 25 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60-64 | 65 & OVER | TOTALS |
|---------------|----------|-------|-------|-------|-------|-------|-------|-------|-------|-----------|--------|
| 16.4% FEMALES | 605 | 1105 | 876 | 889 | 720 | 558 | 414 | 285 | 152 | 53 | 5737 |
| 83.6% MALES | 857 | 2033 | 2088 | 3646 | 5636 | 5271 | 4280 | 3077 | 1837 | 591 | 29316 |
| 100.0% TOTAL | 1462 | 3218 | 2964 | 4535 | 6356 | 5829 | 4694 | 3362 | 1989 | 644 | 35053 |

DOES NOT INCLUDE 73 WHOSE AGES WERE UNSTATED

THE DISTRIBUTION OF ILLNESSES AND OF TIME LOST IN THE CIVIL SERVICE DURING 1936-1937



27.2 per cent of all the Civil Servants were ill one or more times during the year 1936-1937.

20.2 per cent of all the Civil Servants were ill only once, and lost a total of 126,704 days, or an average of 17.9 days during the year.

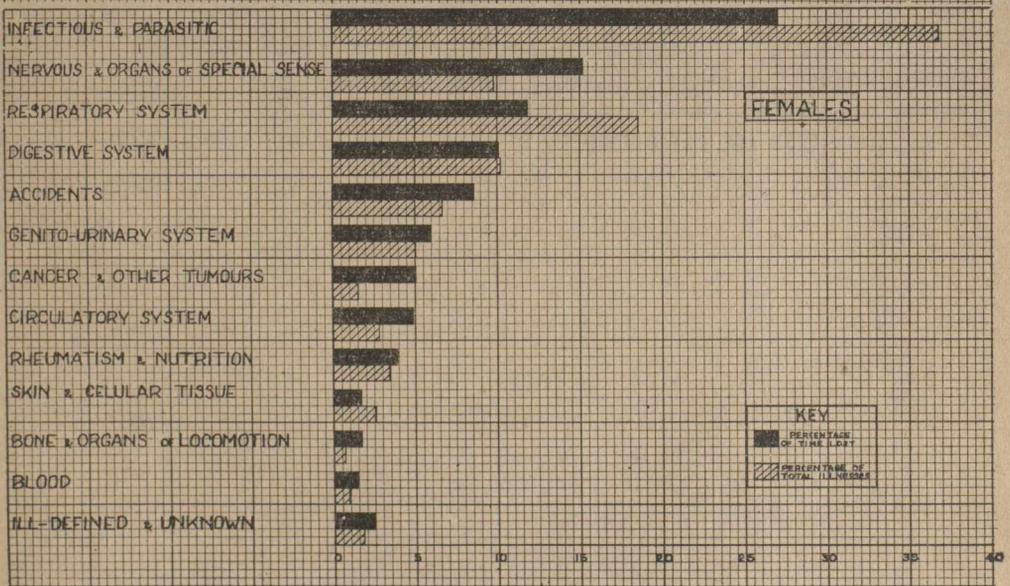
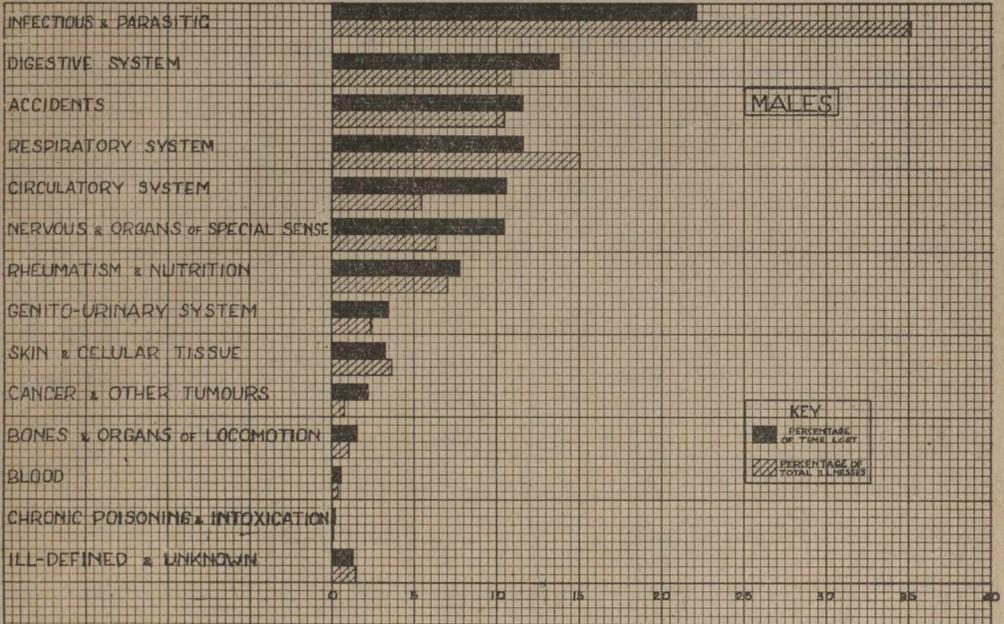
7.0 per cent of all Civil Servants were ill more than once and lost a total of 82,042 days or an average of 33.5 days during the year.

TABLE 16

AVERAGE DAYS LOST PER ILLNESS
BY AGE GROUPS & SEX

| YEAR | AGE GROUPS | | | | | | | | | | | |
|---------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|--------------|---------------|------|
| | UNDER 25 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60-64 | 65 & OVER | NOT STATED | |
| 1935-36 | MALES | 11.5 | 14.4 | 12.9 | 14.7 | 16.0 | 17.9 | 19.4 | 21.0 | 22.8 | - | - |
| | FEMALES | 14.3 | 14.6 | 15.3 | 16.2 | 18.1 | 18.1 | 19.7 | 23.2 | 21.1 | - | - |
| 1936-37 | MALES | 11.5 | 17.0 | 15.8 | 18.3 | 20.1 | 20.7 | 23.7 | 27.9 | 20.0 | 20.2 | 20.5 |
| | FEMALES | 15.8 | 19.2 | 18.8 | 23.9 | 23.4 | 26.0 | 25.1 | 28.8 | 26.0 | 13.4 | 15.0 |

THE DISTRIBUTION OF ILLNESSES AND OF TIME LOST IN THE CIVIL SERVICE 1936-1937
CLASSIFIED BY PRIMARY DISEASES



SUMMARY BY TIMES ILL FOR THE FISCAL YEAR 1936 - 37

| TIMES ILL | NUMBER OF MALES | NUMBER OF FEMALES | TOTAL PERSONS | TOTAL NO. ILLNESSES | TOTAL DAYS LOST | |
|-----------|-----------------|-------------------|---------------|---------------------|-----------------|------------------------------------------|
| 1 | 5604 | 1491 | 7095 | 7095 | 126704 | 126704 DAYS LOST 60.70% OF TOTAL DAYS |
| 2 | 1273 | 438 | 1711 | 3422 | 54875 | |
| 3 | 319 | 137 | 456 | 1368 | 17039 | 53.52% OF TOTAL ILLNESSES |
| 4 | 118 | 47 | 165 | 660 | 5902 | |
| 5 | 38 | 22 | 60 | 300 | 2304 | |
| 6 | 16 | 11 | 27 | 162 | 826 | |
| 7 | 11 | 8 | 19 | 133 | 598 | 82042 DAYS LOST 39.30% OF TOTAL DAYS |
| 8 | 2 | 3 | 5 | 40 | 247 | |
| 9 | 2 | - | 2 | 18 | 57 | 46.48% OF TOTAL ILLNESSES |
| 10 | 1 | 1 | 2 | 20 | 91 | |
| 11 | 1 | - | 1 | 11 | 41 | |
| 12 | - | - | - | - | - | |
| 13 | - | 1 | 1 | 13 | 41 | |
| 14 | 1 | - | 1 | 14 | 21 | |
| TOTALS | 7386 | 2159 | 9545 | 13256 | 208746 | |

LESS AGE NOT STATED

RETIREMENTS 1936-37

CHART OF SCHEDULE J

| AGES | TOTAL | MALE | FEMALE | CHIEF CAUSES OF RETIREMENT | |
|-----------|-------|------|--------|------------------------------------------|-------------------------------------------------|
| 20-24 | | | | 1 | CARDIOVASCULAR DISEASE } 55 - 32.7% |
| 25-29 | 1 | 1 | | | |
| 30-34 | 1 | 1 | | | |
| 35-39 | 13 | 10 | 3 | 2 | DISEASES OF NERVOUS SYSTEM } 40 - 23.8% |
| 40-44 | 24 | 20 | 4 | | |
| 45-49 | 24 | 21 | 3 | | |
| 50-54 | 28 | 22 | 6 | | |
| 55-59 | 51 | 44 | 7 | | |
| 60 & OVER | 26 | 24 | 2 | 3 | RESPIRATORY DISEASE INCLUDING T.B. } 23 - 13.7% |
| TOTALS | 168 | 143 | 25 | | |
| | | | | THE ABOVE 3 GROUPS REPRESENT 118 - 70.2% | |

GROUPS

| | |
|------------|-------|
| 1, 2 & 3 | - 118 |
| RHEUMATISM | - 15 |
| CANCER | - 6 |
| ALL OTHER | - 29 |
| TOTAL | - 168 |

SESSION 1939
HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

CIVIL SERVICE SUPERANNUATION ACT

MINUTES OF PROCEEDINGS

No. 2

including

THIRD AND FINAL REPORT TO THE HOUSE

FRIDAY, APRIL 14, 1939
TUESDAY, APRIL 18, 1939
FRIDAY, APRIL 21, 1939
WEDNESDAY, APRIL 26, 1939
THURSDAY, APRIL 27, 1939
TUESDAY, MAY 2, 1939
FRIDAY, MAY 5, 1939

OTTAWA
J. O. PATENAUDE, I.S.O.
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1939



MEMBERS OF THE COMMITTEE

Mr. Malcolm McLean (*Melfort*), *Chairman*

Messrs.

Anderson,
Baker,
Blanchette,
Bradette,
Davidson,
Dunning,
Franceœur,
Heaps,
Hill,

Kennedy,
Lockhart,
McCann,
McLean (*Melfort*),
Malette,
Mutch,
Pottier,
Wood.

ANTOINE CHASSÉ,
Clerk of the Committee.

ORDERS OF REFERENCE

HOUSE OF COMMONS,

TUESDAY, February 21, 1939.

Resolved—That a select special committee of the House consisting of Messrs. Anderson, Baker, Blanchette, Bradette, Davidson, Dunning, Francœur, Hansell, Heaps, Hill, Lockhart, McCann, McLean, (*Melfort*), Mallette, Mutch, Pottier, Wood, be appointed to inquire into the terms and operation of the Civil Service Superannuation Act, and all matters pertaining thereto, with power to call for persons, paper and records, to examine witnesses under oath, to consider evidence taken at the last session of Parliament before a select special committee of the House on the same subject matter, and to report from time to time, and that Standing Order 65 be suspended in relation thereto.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

TUESDAY, February 28, 1939.

Ordered.—That the name of Mr. Kennedy be substituted for that of Mr. Hansell on the said Committee.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

TUESDAY, February 28, 1939.

Ordered.—That the said Committee be granted leave to print from day to day 500 copies in English and 200 copies in French of its minutes of proceeding and evidence and that Standing Order 64 be suspended in relation thereto.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

WEDNESDAY, March 29, 1939.

Ordered.—That the said Committee be granted leave to sit while the House is sitting.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

REPORTS TO THE HOUSE

TUESDAY, February 28, 1939.

The Special Committee appointed to enquire into the operation of the Civil Service Superannuation Act begs leave to present the following as a

FIRST REPORT

Your committee recommends that it be granted leave to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence and that Standing Order 64 be suspended in relation thereto.

MALCOLM McLEAN,
Chairman.

(For concurrence *see* Votes and Proceedings of Tuesday, February 28, 1939.)

WEDNESDAY, March 29, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act begs leave to present the following as a

SECOND REPORT

Your Committee recommends that it be granted leave to sit while the House is sitting.

All of which is respectfully submitted.

MALCOLM McLEAN,
Chairman.

(For concurrence *see* Votes and Proceedings of Wednesday, March 29, 1939.)

FRIDAY, May 5, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act begs leave to present the following as a

THIRD AND FINAL REPORT

Pursuant to Order of Reference dated Tuesday, the twenty-first day of February, 1939, your Committee, in the course of the thirteen meetings held, gave consideration to the evidence taken at the last session of Parliament before a select special committee of the House on the same subject matter. The Committee received, and gave consideration to, written submissions from the following associations and individuals, viz:—

1. Dominion Civil Service War Veterans of Canada, Toronto Branch—affiliated with the Canadian Corps—signed by M. B. Izatt, Secretary.
2. Montreal Post Office Employees' Association—signed by Georges Labelle, Secretary-Treasurer.
3. J. T. Richard, Barrister, Ottawa, Ont., on behalf of Mrs. E. Doyle.
4. Mr. J-F. Pouliot, K.C., M.P., on behalf of Lt.-Col. Hercule Barré, Commercial Agent of Canada in Paris, France.
5. Letter from Mr. Sidney E. Smith, Ottawa, Ont.
6. Mr. A. Peart, Edmonton, Alta., Secretary, ex-Civil Servants Committee.
7. Mr. A. E. Attfield, 171 Belmont Ave., Ottawa Ont.
8. Mr. James H. Stitt, Commissioner, Civil Service Commission.
9. Certain employees of No. 1 Aircraft Depot, R.C.A.F., Ottawa.
10. Mr. J. A. Lafontaine, Transport Commission, Ottawa, Ont.
11. Lt.-Col. R. P. Landry, Secretary, Canadian Broadcasting Corporation Ottawa, Ont.
12. Mr. G. W. Richardson, on behalf of certain employees of the Canadian Broadcasting Corporation.
13. Mr. H. L. Sacret, Secretary, Canadian Merchant Servant Guild (Inc.) Vancouver, B. C.
14. Mr. H. Vallières, Ottawa, Ont.
15. Mr. Ralph Maybank, M.P., concerning Mr. Thomas Doyle, Ottawa.
16. Memorandum respecting application of age-limit to civil servants appointed by Crown and given a commission under the Great Seal.
17. Dr. O. D. Skelton, Under-Secretary of State for External Affairs, concerning the promotion of an officer of that Department to an appointment as a Minister Plenipotentiary.
18. Mr. F. E. Bronson, Chairman of the Federal District Commission, concerning employees of the Commission.
19. Hon. J. D. MacLean, Commissioner of the Canadian Farm Loan Board, concerning members and employees of the Board.
20. R. McCracken, Esq., ex-Dominion Civil Servants.
21. Mr. R. D. Whitmore, President, on behalf of the Professional Institute of the Civil Service of Canada.
22. Mr. H. C. Nolan, National President of the Dominion Public Works Association, on behalf of Prevailing Rates employees.
23. Submission on behalf of former employees of the Department of Public Works, Ottawa, and signed by Messrs. W. R. Williamson, M. T. Walton, W. H. Chitty, H. J. Dunse, E. A. Ladouceur, Calixite Dubé, Joseph Clouthier, George Low.

24. Mr. P. M. Draper, President of the Trades and Labour Congress of Canada, on behalf of engineers and deck officers employed on ships in the Government Service.
25. Mr. S. Chandler, 304 Flora street, Ottawa.
26. Mr. T. R. Montgomery, President of the Civil Service Association of Ottawa, concerning the age of retirement.
27. Mr. T. J. Cunningham, Mount Tolmie P.O., Victoria, B.C., former employee of the Interior Department, Natural Resources Division.
28. Mr. V. C. Phelan, President of the Civil Service Federation of Canada, concerning certain employees engaged on Government ships on the Atlantic Coast.
29. Mr. K. C. Rappell, 9 Allen Ave., Kirkland Lake, Ont.
30. Mr. Alex Stuart, Secretary, Public Works Foremen Committee, Ottawa, Ont.
31. National Association of Marine Engineers of Canada, Inc., on behalf of engineers, officers and others constantly employed on Dominion Government vessels.
32. W. S. Cunningham, 100A Ste-Anne Street, Ste-Anne de Bellevue, P.Q., concerning former employees of the Dominion Printing Bureau.
33. Dominion Civil Service War Veterans' Association, Hamilton, Ont.
34. Mr. Louis Gosselin, M.P., concerning his right to elect to transfer from the Retirement Fund.
35. Miss E. Saunders, Assistant Secretary of the Civil Service Commission, concerning retirements on medical grounds.

Your Committee also heard Dr. F. S. Burke, M.B., Chief of the Medical Investigations Division of the Department of Pensions and National Health, who gave a very comprehensive report of the time lost through illness in the Civil Service of Canada and whose evidence is contained in the printed report of the Minutes of proceedings and evidence.

Your Committee desires to bring to the attention of the House that it has received the full co-operation of the officials of the various departments who have been called upon to assist the Committee in its study and deliberations over the subject matter of the Order of Reference.

Your Committee also desires to express its deep regret over the loss on one of its members, the late Mr. Vital Mallette, whose contribution to the labours of the Committee had proven so valuable.

Your Committee, after careful consideration of all the evidence adduced together with the records and papers filed before it, begs leave to submit the following recommendations, viz:—

1. That, in addition to refunds of contributions now authorized, provision be made in the statute for refunds to,

(a) Every contributor whose compensation does not exceed \$1,200 and who has had less than ten years' service at the date of his separation from the Service, or his legal representatives.

(b) Every contributor, regardless of length of service, who is dismissed for political partisanship.

2. That the right to elect under the statute be re-established for a period of one year from the date the amending Act receives the Royal assent.

3. That provision be made in the statute to allow each person who, at the date of the coming into force of the amending Act, is a contributor but who failed to elect to make contributions in respect of past non-contributory service, now to make such contributions in respect of the whole or any part of such service.

4. That provision be made in the statute for counting as service for purposes of the Act active service overseas during the Great War which cannot now be counted, subject to the following restrictions:

- (a) Service in Canadian or British Forces in a theatre of actual warfare may be counted regardless of whether the contributor was or was not resident in Canada before his enlistment.
- (b) Service in any of the armies of the Allies in a theatre of actual warfare may be counted only by such contributors as were, prior to enlistment, resident in Canada.
- (c) Payment of the usual contributions, with interest, computed on the average salary of the first three years' service.

5. That provision be made in the statute to enable a contributor who has had prior service in any of the Permanent Forces of Canada, Naval, Army or Air, to count such service provided he has made contributions in respect of such service under the Militia Pension Act and has not been granted benefits thereunder; and provided further that such contributions are transferred to Superannuation Fund No. 5.

6. That provision be made in the statute for the compulsory retirement from the public service of every contributor on attainment of his sixty-fifth birthday without provision for extension of service, subject to the proviso that this amendment shall not become operative until two years after the date the amending Act receives Royal assent.

7. That provision be made in the statute for retiring any contributor on account of age on his attainment of his sixtieth birthday.

NOTE: Recommendations 6 and 7, if given effect, will render the retirement of contributors compulsory at the age of sixty-five and permissive at the age of sixty.

8. That provision be made in the statute to render prevailing rates employees eligible to become contributors subject to designation by Governor in Council on the recommendation of the Treasury Board of the various classes and individuals to be so rendered eligible.

9. That provision be made in the statute to empower the Governor in Council, on the recommendation of the Treasury Board, to admit as contributors employes of the Canadian Broadcasting Corporation who had previous service under the Canadian Radio Commission or elsewhere in the Public Service of Canada.

10. That provision be made in the statute to render temporary employees occupying positions of continuing indeterminate duration eligible to become contributors subject to designation by the Governor in Council on the recommendation of the Treasury Board of the various classes and individuals to be so rendered eligible.

11. That provision be made, by amendment of Part II of the Civil Service Superannuation Act and Retirement Act, to require each temporary employee on appointment to a position of continuing indeterminate duration, or to a position for which the remuneration is prevailing rates, in the Public Service to pay contributions to the Retirement Fund.

NOTE: If any such temporary employee should become a contributor under the Civil Service Superannuation Act, the amount of his contributions to the Retirement Fund will be transferred to the Superannuation Fund; but otherwise the amount of his contributions, with interest, will be returned to him or his legal representative on separation from the Service.

12. That provision be made in the statute for transferring the balance at the credit of Superannuation Fund No. 2 to Superannuation Fund No. 5.

NOTE: On the 31st of March, 1938, the balance at the credit of Superannuation Fund No. 2 was \$1,823,596.06. There are thirty annuitants under that Fund and two contributors to be retired.

13. That provision be made in the statute for transferring from the Retirement Fund to Superannuation Fund No. 5 the contributions of employees who automatically become contributors under the Civil Service Superannuation Act.

14. That provision be made in the statute for crediting Superannuation Fund No. 5 with interest at a rate to be fixed by the Treasury Board.

15. That provision be made in the statute for requiring contributions to be made from the effective date of a contributor's appointment, reclassification or increase of salary, rather than from the date of the instrument authorizing the same.

16. That provision be made in the statute to require persons hereafter appointed to positions exempted from the operation of the Civil Service Act, or to temporary positions, which have in either case been designated under the statute, to furnish the same evidence of health as is now required of persons appointed to permanent positions under the Civil Service Act.

17. That provision be made in the statute for the discontinuance of the superannuation allowance to a dependent child if such person marries before attaining the age of eighteen years.

18. That provision be made in the statute to authorize the Treasury Board to direct payment of benefits to person other than the annuitant, where

- (a) the annuitant has deserted his wife and children and left them without means of support; or
- (b) the annuitant is incapable of handling his own affairs; or
- (c) for any other sufficient reason the Treasury Board considers benefits should be so diverted.

19. That provision be made in the statute to render the right of any contributor to be such incontestable after contributions by him have been accepted during a period of at least three years.

20. That provision be made in the statute to authorize the Treasury Board to discontinue any benefits to a contributor if, subsequent to the granting of such benefits, it is established to the satisfaction of the Board that the contributor was guilty of misconduct (as defined in the Act) while employed in the Civil Service; and in such case to approve of the payment of such benefits in whole or in part to persons dependent upon the contributor for support.

21. That provision be made in the statute to limit the counting of past non-contributory service of any new contributor or of any additional past non-contributory service allowed to any present contributor under the amending Act to such service in whole or in part as in respect of which the contributor elects to pay contributions.

22. That provision be made in the statute to extend the definition of "dependent" to step-mother, step-father, or widow of a contributor who is now ineligible for benefits.

23. That the statute be amended by repealing sub-paragraph (c) of subsection 2 of Section 9 of the Act.

24. That provision be made in the statute to limit the superannuation allowance which any new contributor shall be eligible to receive to the maximum sum of \$4,200 per annum; and to provide for an adjustment of contributions in accordance to the foregoing limitation.

25. That provision be made in the statute to require new contributors to make contributions at the following rates, namely:—

Male Contributors—

| Salary | Contribution |
|---------------------------------------------|--------------|
| \$1,200 and under..... | 5 % |
| Over \$1,200 and not exceeding \$1,500..... | 5½ % |
| Over \$1,500..... | 6 % |

Female Contributors—

5%—Regardless of amount of salary.

26. That provision be made in the statute to provide that any new contributor who has over ten years' service and whose position is abolished shall be granted an allowance equal to two-thirds of the allowance which he might have been granted if at the date of the abolition of his position he had been retired on account of age or ill health.

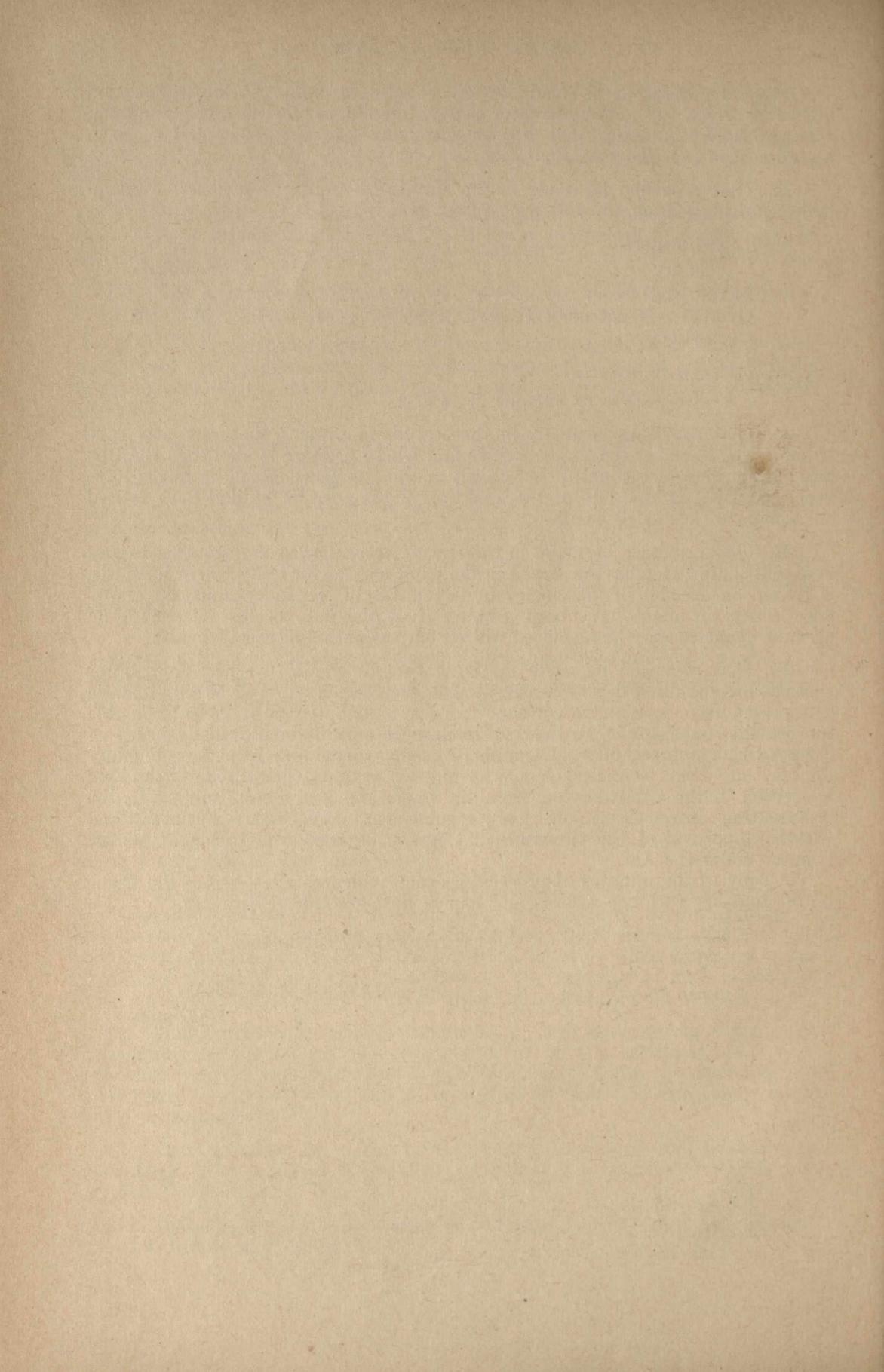
27. That provision be made in the statute to authorize the granting to any new contributor who, having served in the Civil Service for ten years or upwards, is retired on account of inefficiency of two-thirds of the superannuation allowance which he might have been granted if at the date of his retirement on account of inefficiency he had been retired on account of age or ill health.

28. That provision be made in the statute to enable (a) any contributor who has after the first day of January, 1939, been appointed head of a diplomatic or representative mission, to continue to be a contributor, and, as such, eligible for benefits under the Act; and (b) to exclude persons employed as heads of diplomatic or representative Canadian Missions, including Ministers Plenipotentiary and High Commissioners, who did not prior to such appointment hold a position in the Civil Service, from the operation of the Act, subject to the proviso that any such person, upon appointment, may, with his consent and with the approval of the Governor in Council, be rendered eligible as a contributor under the Act.

A copy of the minutes of proceedings and evidence taken before the Committee together with the records and papers filed are tabled herewith.

All of which is respectfully submitted,

MALCOLM McLEAN,
Chairman.



MINUTES OF PROCEEDINGS

FRIDAY, April 14, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met in camera this day at 11 a.m. The Chairman, Mr. Malcolm McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Baker, Blanchette, Bradette, Davidson, Heaps, Hill, Kennedy, McCann, McLean (*Melfort*), Mallette, Wood.

In attendance: Mr. G. D. Finlayson, Superintendent of Insurance; Mr. W. C. Ronson, Assistant-Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance.

The chairman tabled for the consideration of the Committee the following communications received,—

1. Letter from Mr. H. C. Nolan, National President of the Dominion Public Works Association, on behalf of Prevailing Rates employees.
2. Submission presented by former employees of the Department of Public Work, Ottawa, and signed by W. R. Williamson, M. T. Walton, W. H. Chitty, H. J. Dunse, E. A. Ladouceur, Calixte Dubé, Joseph Clouthier, George Low.
3. Letter from Mr. P. M. Draper, President of The Trades and Labour Congress of Canada, on behalf of engineers and deck officers employed on ships in the Government Service.
4. Letter from Mr. S. Chandler, 304 Flora street, Ottawa, suggesting certain amendments to the Civil Service Superannuation Act.
5. Letter from Mr. T. R. Montgomery, President of the Civil Service Association of Ottawa, concerning the age of retirement from the Civil Service.
6. Letter from Mr. T. J. Cunningham, Mt. Tolmie P.O., Victoria, B.C., former employee of the Interior Department (Natural Resources Division).
7. Letter from Mr. V. C. Phelan enclosing copy of a telegram from Mr. W. A. MacDonald of Halifax, on behalf of employees on Government Ships on the Atlantic Coast.

The Committee then undertook the consideration of its report in the light of the several requests made by various associations and individuals together with the evidence adduced by the Committee.

Proposal No. 1.—Minimum Return—to ensure that every contributor, his dependents or his estate may benefit to at least the amount of his contributions.

- (a) Contributors separated from the service except for incapacity, with less than 10 years' service.
- (b) Contributors with over 10 years' service dismissed for misconduct.
- (c) Contributors who die without dependents.
- (d) Contributors to whom or their dependents, benefits equal to contributions have not been paid.

On motion of Mr. Bradette,

Resolved: That the Committee recommend favourably in respect to (a) except that the recommendation should apply only to those whose compensation does not exceed \$1,200.

On motion of Mr. Hill,

Resolved: That the Committee recommend favourably in respect to (b) but that the words "political partizanship" be substituted for the word "misconduct."

On motion of Mr. Baker,

Resolved: That (c) and (d) be rejected.

TUESDAY, April 18, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Superannuation Act met *in camera* this day at 4 o'clock p.m. The Chairman, Mr. Malcolm McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Blanchette, Davidson, Francoeur, Hill, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mutch, Wood.

In attendance: Mr. W. C. Ronson, Assistant-Deputy Minister of Finance and Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance.

The Chairman proposed a vote of condolence on the occasion of the sudden demise of Mr. Vital Mallette, who had been a member of the Committee in 1938 and again this year. In voicing his deep regret at the loss sustained by the Committee in the death of the late Mr. Mallette, the Chairman moved, and the Committee agreed, that the Clerk be instructed to convey to the family of the deceased member their expression of sympathy.

The Committee then resumed consideration of its report.

Proposal No. 2.—Reopening of the Act for Election—that the right to elect to come under the provisions of the Superannuation Act be granted to those who failed to elect when the opportunity was previously offered to them.

On motion of Mr. Anderson,

Resolved: That the Committee recommend favourably.

On motion of Mr. McCann,

Resolved: That a one-year limit be extended for election on the coming into force of the amending Act to that purpose.

Proposal No. 3.—Reopening the Act to permit payment for service in whole or in part for those who did not elect to do so,—to permit contributors who have service for which they did not elect to pay at the time they elected to come under the Act, to pay for such service in whole or in part.

On motion of Mr. Mutch,

Resolved: That the Committee recommend favourably.

Proposal No. 4.—Overseas Active Service—to permit overseas active service with the Allied Powers in the Great War to count under the Superannuation Act, without payment of contributions.

On motion of Mr. Mutch,

Resolved: That the Committee recommend favourably,

- (a) Service in Canadian or British Forces in a theatre of actual warfare, regardless of whether the contributor was or was not resident of Canada before his enlistment.
- (b) Service in any of the armies of the Allies in a theatre of actual warfare for such contributors as were, prior to enlistment resident in Canada.
- (c) Payment of contributions, with interest, computed on the average salary of the first three year's in the civil service.

Proposal No. 5.—Service with the Permanent Defence Forces—to enable contributors to count service in the permanent Forces of Canada (navy, army and air) for superannuation purposes.

On motion of Mr. Mutch,

Resolved: That the Committee recommend that such service be allowed to count only for those who were contributors to the Militia Pension Act but did not receive compensation therefrom and are contributors under the Superannuation Act and provided such contributions to the Militia Pension Act are transferred to Superannuation Fund No. 5.

Proposal No. 6.—Compulsory Retirement at age 65—to make retiring age 65 years with no provision for extension.

On motion of Mr. Wood,

Resolved: That the Committee recommend favourably and that this new provision be made effective two years after its enactment.

At six o'clock, on motion of Mr. Mutch, the Committee adjourned to meet again at the call of The Chair.

FRIDAY, April 21, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this day at 11 a.m. The Chairman, Mr. Malcolm McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Blanchette, Bradette, Davidson, Hill, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mutch, Pottier, Wood.

In attendance: Mr. W. C. Ronson, Assistant-Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance; Mr. W. Smellie, Clerk of Estimates, Department of Finance.

The Committee resumed consideration of its report.

Proposal No. 7.—Optional Retirement at age 60—to permit voluntary retirement at the age of 60 years.

On motion of Mr. Anderson,

Resolved: That the Committee recommend favourably.

Proposal No. 8.—Optional Retirement at age 60 or on completion of 35 years' service—to permit voluntary retirement at age 60 or on completion of 35 years' service.

On motion of Mr. Hill,

Resolved: That the Committee reject this proposal.

Proposal No. 9.—Average Salary 5 years Basis—that in all cases salary be computed on the last five years of service.

On motion of Mr. Pottier,

Resolved: That the Committee recommend that no change be made from the present provision in that respect.

Proposal No. 10.—Benefits a right—to ensure certain retirement rights to contributors.

On motion of Mr. Mutch,

Resolved: That the Committee reject this proposal.

Proposal No. 11.—Interest on arrears be waived—to remove the 4 per cent interest charged on non-contributory service.

On motion of Mr. Anderson,

Resolved: That the Committee reject this proposal.

Proposal No. 12.—Prior service in Dominion Government Bureaux, Commissions, etc—to permit employees who have had service with Government Commissions, Boards, etc., which have ceased to exist, to count such service for superannuation purposes.

On motion of Mr. Davidson,

Resolved: That the Committee reject this proposal.

Proposal No. 13.—Service as Labourers—to enable certain employees who were paid as "Labourers" to count such service for superannuation purposes.

On motion of Mr. McCann,

Resolved: Whereas there is provision already in the Act under which the Governor in Council can allow this service if so disposed, the Committee rejects this proposal.

Proposal No. 14.—Service of Revenue Postmasters—to permit former Revenue Postmasters to count some of their years of service for superannuation purposes.

On motion of Mr. Anderson,

Resolved: That the Committee reject this proposal.

Proposal No. 15.—Optional Benefits—to permit contributors to exercise certain options as to benefits, for instance, the contributor to accept a smaller payment in order that dependents might receive a larger one.

On motion of Mr. Bradette,

Resolved: That the Committee reject this proposal.

Proposal No. 16.—Retirement for Charwomen—to provide a retiring allowance.

On motion of Mr. Bradette,

Resolved: That the Committee reject this proposal.

Proposal No. 17.—Reclassification of Position—to permit contributors who are demoted, to continue contributions on the salaries received prior to demotion, thus ensuring benefits being computed on the higher rates of salary.

On motion of Mr. Pottier,

Resolved: That the Committee reject this proposal.

Proposal No. 18.—Establishment of a Board of Administration—to give contributors more influence in administration of the Act, to permit representatives to report to their organizations.

On motion of Mr. McCann,

Resolved: That the Committee reject this proposal.

Proposal No. 19.—That legislative action be taken on the findings of the Advisory Committee on the Superannuation Act—to enact by legislation recommendations made to the Treasury Board by the Advisory Committee on the Superannuation Act.

On motion of Mr. Lockhart,

Resolved: That the Committee reject this proposal.

Proposal No. 20.—Seasonal employees—to permit them to count each season as a year for superannuation purposes.

On motion of Mr. Davidson,

Resolved: That the Committee reject this proposal.

Proposal No. 21.—Sessional Service—to permit such service to count as one year for each session of Parliament for superannuation purposes.

On motion of Mr. Davidson,

Resolved: That the Committee reject this proposal.

Proposal No. 22.—Annuities for less than ten years' service—that benefits in event of death, ill-health, voluntary retirement, or retirement on account of marriage, be determined on the same principles as for periods of service over ten years; to provide annuities as an alternative to gratuities to those separated with less than ten years' service, except on resignation.

On motion of Mr. Blanchette,

Resolved: That the Committee reject this proposal.

Proposal No. 23.—Pre-ageing of War Veterans—to provide benefits for the pre-ageing war veterans employed in the Civil Service.

On motion of Mr. Mutch,

Resolved: That the Committee reject this proposal.

Proposal No. 24.—Actuarial Survey of Fund—to have an actuarial valuation made of the Fund periodically for the information of the contributors.

On motion of Mr. Anderson,

Resolved: That the Committee does not see the necessity of making such a recommendation to Parliament because the Minister of Finance has already the power to investigate the Fund.

Proposal No. 25.—Dollar for Dollar Understanding—that the Government contribute to the Superannuation Fund an amount equal to the contribution of the contributors.

On motion of Mr. Hill,

Resolved: That the Committee do not take any action in the matter.

Proposal No. 26.—That special allowances given to civil servants in the Yukon Territory, and in the Northwest Territories be counted for superannuation purposes—to increase superannuation allowance to civil servants in these areas by the inclusion of allowances paid to these employes, which are not now considered as compensation.

On motion of Mr. Pottier,

Resolved: That the Committee take no action in this matter.

At 1.10 p.m., on motion of Mr. Hill, the Committee adjourned to meet again next Wednesday, April 26, at 4 o'clock p.m.

WEDNESDAY, April 26, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this day at 4 p.m. The Chairman, Mr. McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Blanchette, Bradette, Davidson, Hill, Kennedy, Lockhart, McCann, McLean (*Melfort*), Mutch, Pottier, Wood.

In attendance: Mr. W. C. Ronson, Assistant Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance; Mr. W. Smellie.

The Chairman placed before the Committee for the consideration of the members the following communications:

1. Letter from Mr. K. C. Rappell, 9 Allen Ave., Kirkland Lake, Ont.
2. Letter from Mr. Alex Stewart, Secretary, Public Works Foremen Committee, Ottawa, Ont.
3. Letter from the National Association of Marine Engineers of Canada, Inc., signed by Mr. G. W. Brown, Secretary, on behalf of Engineer Officers and others constantly employed in Dominion Government vessels.
4. Letter from Mr. W. S. Cunningham, 100a Ste. Anne Street—Ste. Anne de Bellevue, P.Q., together with a letter from the writer addressed to the late Mr. Vital Mallette.
5. Letter from Mr. H. C. Nolan, National President of the Federal Public Works Association, on behalf of Prevailing Rates of Pay Employes.

The Committee then resumed consideration of its report.

Proposal No. 27.—Prevailing Rates Employees—to enable permanent, full-time employees in receipt of at least \$600.00 per annum to become contributors.

On motion of Mr. Bradette,

Resolved: That the Committee recommend favourably.

Proposal No. 28.—Former employees of the Canadian Radio Commission—to enable certain former employees of the Canadian Radio Commission to become contributors under the Superannuation Act.

On motion of Mr. Mutch:

Resolved: That the Committee recommend that these seven (7) former employees of the Canadian Radio Commission now engaged by the Canadian Broadcasting Corporation, be given the opportunity to count their previous service in the civil service upon payment of contributions together with interest when, as and if a Superannuation Scheme is established by the Canadian Broadcasting Corporation; and, failing the setting up of such a scheme by the Canadian Broadcasting Corporation, the Committee further recommends that these seven (7) employees be allowed to come under the provisions of the Superannuation Act.

Proposal No. 29.—Full-Time and Seasonal Employees (other than Revenue Postmasters) with salaries of \$600.00 or over and not under the Superannuation Act.

On motion of Mr. Davidson,

Resolved: That the Committee recommend favourably on the following terms:

- (a) That temporary employees in the public service, after one year of service, be required to contribute five per cent of salary to the Retirement Fund; and
- (b) That temporary employees, after five years' service, be eligible to come under the Act, subject to designation by the Governor in Council, on the recommendation of the Treasury Board.

Proposal No. 30.—Transfer to Superannuation Fund No. 5 the Balance standing to the credit of Superannuation Fund No. 2, and to authorize present and future obligations to be charged to Superannuation Fund No. 5.

On motion of Mr. Hill,

Resolved: That the Committee recommend favourably.

Proposal No. 31.—Transfer from Retirement Fund to Superannuation Fund No. 5 of the contributions of contributors who automatically came under the Superannuation Act subsequent to July 19th, 1924.

On motion of Mr. Blanchette,

Resolved: That the Committee recommend favourably.

Proposal No. 32.—That statutory authority be granted to credit interest to Superannuation Fund No. 5. At present the only authority is sub-section 2 of Regulation No. 15. Statutory authority is thought necessary.

On motion of Mr. Kennedy,

Resolved: That the Committee recommend favourably.

Proposal No. 33.—That contributions to the Fund be made from the effective date rather than from the date of the instrument of appointment.

On motion of Mr. Anderson,

Resolved: That the Committee recommend favourably.

Proposal No. 34.—That a contributor must furnish a certificate of health if not appointed by the Civil Service Commission.

On motion of Mr. McCann,

Resolved: That the Committee recommend favourably, provided the certificate so required be the same as that which is required by employees appointed by the Civil Service Commission, and that this recommendation apply also to all employees of continuing indeterminate duration employment hereafter appointed.

Proposal No. 35.—That no allowance be granted to a widow unless she was dependent on the contributor at the time of his death.

On motion of Mr. Blanchette,

Resolved: That the Committee take no action in this matter.

Proposal No. 36.—That the allowance to a child be cancelled if the child marries before reaching age 18.

On motion of Mr. McCann,

Resolved: That the Committee recommend favourably.

Proposal No. 37.—Payments to other than contributor—that the Treasury Board be authorized to direct payment of benefits to some person other than the annuitant.

1. If the annuitant has deserted his wife and children and left them without means of support;
2. If the annuitant is incapable of handling his own affairs.
3. If, for any other sufficient reason, the Treasury Board consider benefits should be diverted.

On motion of Mr. Bradette,

Resolved: That the Committee recommend favourably.

Proposal No. 38.—That provision be made in the statute to render the right of any contributor to be such incontestable after contributions by him have been accepted during a period of at least three years.

On motion of Mr. Hill,

Resolved: That the Committee recommend favourably.

Proposal No. 39.—Discontinuance of Allowance—that authority be granted to discontinue any allowance if, subsequent to the Granting of the allowance, it is established that the person was guilty of misconduct (as defined in the Act) while employed in the Civil Service.

Mr. Bradette moved that the Committee recommend favourably.

Mr. Mutch moved in amendment thereto that the words “misappropriation of funds” be substituted to the words “misconduct (as defined in the Act.)”

A standing vote being taken the amendment of Mr. Mutch was negatived 2 to 6.

A standing vote being taken the motion of Mr. Bradette was carried 6 to 2.

At 6.05 p.m. the Committee adjourned to meet again to-morrow, Thursday, April 27th, at 4 o'clock p.m.

THURSDAY, April 27, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this day at 4 o'clock p.m. Mr. Malcolm McLean (*Melfort*), the Chairman, presided.

Members present: Messrs. Anderson, Blanchette, Bradette, Davidson, Hill, Kennedy, McCann, McLean (*Melfort*), Mutch.

In attendance: Mr. W. C. Ronson, Assistant-Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance; Mr. W. Smellie, Clerk of the Estimates, Department of Finance.

The Committee then resumed consideration of the report.

Proposal No. 40.—That future contributors be allowed to count service only if the statutory contributions are made.

On motion of Mr. Hill,

Resolved: That the Committee recommend favourably.

Proposal No. 41.—That the definition of dependent be extended—to include in the definition “step-mother,” step-father, and the widow of a contributor who is not eligible for benefits under the Act.

On motion of Mr. Anderson,

Resolved: That the Committee recommend favourably.

Proposal No. 42: That male employees over \$1,200 annual salary be required to contribute more than five per cent of Salary to Superannuation.

On motion of Mr. Bradette,

Resolved: That new contributors be required to make contributions at the following rates:—

Male Contributors:

| Salary | Contribution |
|--------------------------------------------------|--------------|
| \$1,200 and under.. | 5 % |
| Over \$1,200 and not exceeding \$1,500.. | 5½ % |
| Over \$1,500.. | 6 % |

Female Employees:

5%—regardless of salary.

Proposal No. 43.—That the limit of contributions and benefits for new contributors be computed on a maximum salary of \$6,000.

On motion of Mr. Pottier,

Resolved: That the Committee recommend favourably.

At six o'clock p.m., on motion of Mr. Mutch, the Committee adjourned to meet again next Tuesday, May 2nd, at 4 o'clock p.m.

TUESDAY, May 2, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this day at 4 o'clock p.m. The Chairman, Mr. Malcolm McLean (*Melfort*), presided.

Members present: Messrs. Anderson, Blanchette, Bradette, Davidson, Hill, Kennedy, McCann, McLean (*Melfort*), Mutch.

In attendance: Mr. C. P. Plaxton, K.C., acting Deputy Minister of Justice; Mr. W. C. Ronson, Assistant Deputy Minister of Finance; Mr. G. L. Gullock, Chief of the Superannuation Branch, Department of Finance; Mr. W. Smellie, Clerk of the Estimates, Department of Finance.

The Chairman place before the Committee for its consideration the following communications:—

1. Letter from the Dominion Civil Service Veterans' Association, Hamilton, Ont., concerning the overseas service to be counted for superannuation purposes.
2. Letter from Mr. Louis Gosselin, M.P., concerning the right to elect to transfer from the Retirement to the Superannuation Fund.

The Committee then resumed their deliberations.

By consent Mr. Hill moved, and it was agreed, that the Committee should reconsider proposal No. 43 which was resolved in the affirmative in the course of the previous meeting on April 27th.

After some discussion, on Proposal No. 43—

On motion of Mr. Hill, it was

Resolved: That no new contributor should be allowed to make contributions which will entitle him to receive more than \$4,200 in superannuation.

The Committee afterwards considered certain other requests made to it and the following resolutions were adopted.

On motion of Mr. McCann,

Resolved: That the Committee recommend as follows: If the position of a new contributor with over 10 years' service is abolished he may be granted two-thirds of the normal benefits.

Mr. Mutch moved in amendment that the word "shall" be substituted to the word "may".

On a standing vote the amendment of Mr. Mutch was resolved in the affirmative (5 to 3).

The motion of Mr. McCann, as amended was afterwards adopted unanimously.

On motion of Mr. Davidson,

Resolved: That the Committee recommend as follows: That any new contributor with more than 10 years' service, in the event of being retired on account of inefficiency, may be granted two-thirds of his normal benefits.

On motion of Mr. McLean,

Resolved: That the Committee make the following recommendation—That provision be made in the statute to enable (a) any contributor who has after the first day of January, 1939, been appointed head of a diplomatic or representative mission, to continue to be a contributor, and, as such, eligible for benefits under the Act; and (b) to exclude persons employed as heads of diplomatic or representative Canadian Missions, including Ministers Plenipotentiary and High Commissioners, who did not prior to such appointment hold a position in the Civil Service, from the operation of the Act, subject to the proviso that any such person, upon appointment, may, with his consent and with the approval of the Governor in Council, be rendered eligible as a contributor under the Act.

On motion of Mr. Anderson,

Resolved: That the Committee take no action in its report in respect to the application of Mr. James H. Stitt.

On motion of Mr. Hill,

Resolved:—That the Committee should take no action in their report in respect of the former employees of the Interior Department, Public Works Department and the Printing Bureau.

On motion of Mr. Davidson,

Resolved: That the Committee take no action in regard to the case of Mrs. E. Doyle.

On motion of Mr. Mutch,

Resolved: That Messrs. Anderson and McCann act with the Chairman as a Sub-Committee to draft a report to the House in accordance with the resolutions passed by the Committee and that such report be submitted to the Committee at its next meeting.

At 6 o'clock p.m., on motion of Mr. Blanchette, the Committee adjourned, to meet again next Friday at 10.30 a.m.

FRIDAY, May 5, 1939.

The Special Committee appointed to enquire into the terms and operation of the Civil Service Superannuation Act met *in camera* this day at 10.30 a.m. Mr. Malcolm McLean (*Melfort*), the Chairman, presided.

Members present: Messrs. Anderson, Baker, Blanchette, Bradette, François, Hill, Kennedy, McCann, McLean (*Melfort*), Mutch, Wood.

In attendance: Mr. W. C. Ronson, assistant Deputy Minister of Finance and Mr. G. L. Gullock, Chief of the Superannuation Branch of the Department of Finance.

The Chairman, presented a report of the sub-committee which was unanimously adopted by the Committee, and which read as follows:—

Your sub-committee has given consideration to a communication from Miss E. Saunders, assistant Secretary of the Civil Service Commis-

sion, concerning Retirements of medical grounds, and is of opinion that no action should be taken in the Committee's final report to the House.

Your sub-committee suggest that the following recommendation be included in the final report, viz:

"23. That the statute be amended by repealing sub-paragraph (c) of subsection 2 of Section 9 of the Act."

Your sub-committee begs leave to submit the attached draft of a final report of the Committee to the House.

The Committee then read clause by clause the draft report presented by the sub-committee. After some minor changes, on motion of Mr. Kennedy the report was adopted and the Chairman was instructed to present it to the House as the Third and final report.

On motion of Mr. Blanchette,

Resolved: That the Committee take no action in respect to the requests made by the employees of the Federal District Commission and of the Canadian Farm Loan Board.

On motion of Mr. Blanchette the Committee passed a vote of thanks to the Chairman, Mr. Malcolm McLean (*Melfort*), for the dignified conduct of the proceedings of the Committee.

On motion of Mr. Mutch, the Committee also expressed its appreciation of the valuable assistance and ready co-operation received from the officials of the various departments of the Public Service and the Clerk of the Committee.

At twelve o'clock noon, on motion of Mr. McCann, the Committee adjourned *sine die*.

ANTOINE CHASSÉ,

Clerk of the Committee.

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

WEDNESDAY, May 24, 1939.

The house met at eleven o'clock.

STANDING AND SPECIAL COMMITTEES

MARINE AND FISHERIES—SECOND AND FINAL REPORT

Mr. THOMAS REID (New Westminster, for Mr. MacLean, Prince) presented the second and final report of the standing committee on marine and fisheries, as follows:

The standing committee on marine and fisheries begs leave to present the following as its second and final report.

Your committee has had under consideration an order of reference dated Thursday, March 2, 1939, viz:

That Bill No. 15, an Act to amend the Fisheries Act, 1932, together with the proposed amendment of Mr. Neill thereto, be referred to the said committee.

The committee has held twelve meetings and has heard three witnesses, including representatives of the Department of Fisheries.

Your committee has agreed to recommend the adoption of Bill No. 15 with the following amendment: Insert after the word "obstruction," in line 3 of 57A (1), the words "which he deems necessary for the public interest."

In connection with Mr. Neill's amendment, your committee recommends that the question of salmon trap-net fishing in the Sooke area be referred to a royal commission forthwith for investigation and report, and that the following be embodied in the order of reference to the commission:

To fully investigate and hear evidence under oath, and to determine and report, whether or not it is in the public interest that trap nets for the capture of salmon should continue to be authorized in the Sooke area, British Columbia, i.e., between Beachy Head and Sombrio Point along the southwest coast of Vancouver Island, such investigation and report to have regard to all such points as in the judgment of the commission require consideration, and without restricting the generality of the foregoing to include the following:

1. Destructiveness of trap nets from the standpoint of conservation and/or depletion, as compared with the use of other varieties of fishing gear.

2. Feasibility of successful operation of other types of fishing in Juan de Fuca straits and waters of and adjacent to the Sooke area, keeping in view, among other things:

a. Nature of waters, specially exposed or otherwise.

b. Tidal and current conditions.
c. Unusual phosphorescence, if any, in water.
d. Proximity of international boundary.
e. Fog, prevalence of sharks, etc.

3. The significance of continued operation of trap-net fishing in the Sooke area in relation to the possible reintroduction of trap nets in the State of Washington.

4. Whether or not unemployment is accentuated by the operation of trap nets in the Sooke area.

Your committee further recommends that all parties wishing to do so be allowed to attend and give evidence, and that all transactions and evidence be recorded and obtainable by the public.

Your committee wishes to express its appreciation of the assistance and ready cooperation received from the officials of the Department of Fisheries.

A copy of the minutes of proceedings and evidence taken by the committee is tabled herewith.

All of which is respectfully submitted.

CIVIL SERVICE SUPERANNUATION ACT—CONCURRENCE IN THIRD AND FINAL REPORT.

Mr. MALCOLM McLEAN (Melfort) moved that the third and final report of the special committee on the Civil Service Superannuation Act be concurred in.

He said: The special committee on the Civil Service Superannuation Act has made a report, which has been before the house for some time, in pursuance of studies of that question made by the committee during the present session and by a similar committee during the last session of parliament. I am going to deal very briefly with some of the changes recommended, in order that they may be perhaps a little more clearly understood than they would be from a reading of the report itself.

Recommendation No. 1 asks that every contributor whose compensation does not exceed \$1,200 per annum, with less than ten years' service at the time of his separation from the service, or his legal representatives, have a return of contributions made, which is not possible at the present time if the service is under ten years.

The committee asks that every contributor, regardless of length of service, if dismissed for political partisanship, shall be eligible for a return of the contribution made. An important change recommended is that the right to elect under the statute of 1927 be re-established for a period of one year from the date on which the amending act receives the royal assent. A good many civil servants represent that they either did not have sufficient notice or did not clearly understand the provisions at the time, and your committee thought that they should be given a further opportunity to be transferred from retirement to the superannuation fund. It is recommended that provision be made to allow each person who is a contributor, but who failed to elect to make contributions in respect of past non-contributory service, to make such contributions now in respect of the whole or any part of such service. Contributors who were not able to pay their portion of arrears before they came under superannuation received fifty per cent of the time allowance from the government at that time without payment, but it is thought wise now to give them an opportunity, by paying their arrears, to earn and ultimately to receive superannuation for the rest of that time upon payment.

Recommendation No. 4 asks that provision be made for counting active service overseas during the great war, which cannot now be counted, subject of course to certain restrictions. Certain men who left the civil service of Canada on leave at the beginning of the war were given credit for their service overseas. At a later date that terminated and many men who had been in the civil service before the war are not now eligible to count their time overseas for benefits. New employees who joined the service after the war have not been able to receive credit for time overseas. All organizations of returned men have made representations for many years urging that such service be allowed as a matter of fair play and justice, the principle of which is established in connection with the mounted police and, I believe, one other branch of the service; and your committee has decided to recommend that a change be made.

I am not going to deal specifically with some of the minor recommendations that do not involve either an important principle or a large number of contributors or a large amount of money. I come then to recommendation No. 6, which asks that provision be made in the statute for the compulsory retirement from the public service of every contributor on attainment of his sixty-fifth birthday without provision for extension of

service, subject to the proviso that this amendment shall not become operative until two years after the date the amending act receives royal assent; and recommendation No. 7 asks that provision be made in the statute for retiring any contributor on account of age on his attainment of his sixtieth birthday. The cost in the one case would be very small and in the other a little higher. For years it has been felt in and out of the civil service that there should be a compulsory retirement age, which has been set here in the recommendation at sixty-five, with the proviso that two years shall elapse before the change becomes effective so that it shall not bear harshly upon anyone. The committee was of the opinion that ultimately this provision might not cost the service anything but might possibly bring about a saving in the retirement from the service of men who have passed the age but who for various reasons wish to be kept on. Provision for retirement at the age of sixty, if it is implemented, as is intended, will provide that under certain circumstances contributors may apply for and be given permission to retire, and that it may be more or less optional at or after the age of sixty.

Recommendation eight asks that provision be made in the statute to render prevailing-rates employees eligible to become contributors, subject to designation by the governor in council on the recommendation of the treasury board of the various classes and individuals to be so rendered eligible. There are a large number of men employed in the service throughout the country at prevailing rates. For many years they have been trying to become eligible and to earn superannuation. They have not been able to do so, with the result that many men having no provision for the future are kept on to an age and under conditions when in many cases they are not thoroughly efficient. By this change it is believed that the service will benefit to a great extent. It may be that at the beginning it will not be found feasible to include all classes of these prevailing-rates employees and therefore that provision was inserted, that certain contributors and classes should be designated. This should have a wholesome effect on the service, particularly as regards the employees concerned.

Recommendation No. 9 asks that provision be made in the statute to empower the governor in council, on the recommendation of the treasury board, to admit as contributors employees of the Canadian Broadcasting Corporation who had previous service under the Canadian radio commission or elsewhere in the public service of Canada. This is a minor

recommendation dealing with about seven or eight employees of the broadcasting corporation, who for some reason or other were not allowed to come under superannuation, and until such time as the Canadian Broadcasting Corporation has a superannuation scheme of its own, a certain hardship is being wrought on these persons.

Recommendation No. 10 is an important one, because it is intended to prevent the arising in the future of some of the problems that exist at the present time in the service in connection with superannuation matters. It asks that provision be made in the statute to render temporary employees occupying positions of continuing indeterminate duration eligible to become contributors subject to designation by the governor in council on the recommendation of the treasury board of the various classes and individuals to be so rendered eligible. At the present time and for many years back there have been continuing indeterminate duration employees in the service. They have not been permanent and have not been called upon to make contributions to superannuation, retirement or other funds. If and when they do become permanent, as many of them do in the course of years, there is no accumulated provision whereby they can receive full benefits of superannuation. They have either to pay in a lump sum or to pay in instalments their contribution for the years during which they were temporary, even though their work was continuing and in reality permanent, which means that a considerable burden is placed upon them, and spread over years it amounts to a good deal of money. If they did not make that contribution they were in the past eligible to receive fifty per cent from the service, which was given by the government. We make another recommendation in that regard, asking that such free service be discontinued in the case of employees who do not choose to subscribe their own fifty per cent payment. This provision will ensure that in the future there will be no such class of employees in the civil service. All those who will be there will be making the same contribution. In the event of their not becoming permanent employees, and therefore eligible under the superannuation act, their contributions will be returned to them on separation from the service with the appropriate interest. If they become permanent, their contributions will be transferred to the superannuation fund.

No. 11 asks that provision be made, by amendment of part II of the Civil Service Superannuation Act and the Retirement Act, to require each temporary employee, on

appointment to a position of continuing indeterminate duration, or to a position for which the remuneration is prevailing rates in the public service, to pay contributions to the retirement fund.

Under this provision, if any such temporary employee should become a contributor under the superannuation act the amount of his contribution to the retirement fund will be transferred to the superannuation fund. But otherwise the amount of his contribution with interest will be returned to him or his legal representative on separation from the service. I assume practically all hon. members know that there are in the service a certain number of men who have been in it for a long time but are still classed as temporaries—the common phrase used to describe them is “temporary permanents.” Some have been in the service ten, fifteen, twenty years without having been able to make any provision for superannuation; therefore when they become permanent they are faced with that long arrearage of service, the contributions for which amount to a burdensome figure. It is to meet that condition that these two provisions are recommended.

In No. 12 we ask that provision be made for transferring the balance at the credit of superannuation fund No. 2 to superannuation fund No. 5. On March 31, 1938, the balance at the credit of fund No. 2 was \$1,823,596. There are only thirty annuitants drawing superannuation from that fund and two contributors still to be retired. That is an old fund set up some forty or more years ago. It is not now being subscribed to except by those two contributors. The amount at its credit is considerable; by transferring that to superannuation fund No. 5, which is the one now in effect, there is no possibility of increasing the load on the present fund No. 5 or of any injustice being done, because the income from that \$1,800,000 will be more than sufficient to take care of the present thirty annuitants and the two contributors still to be retired.

In No. 13 we ask that provision be made in the statute for transferring from the retirement fund to superannuation fund No. 5 the contributions of employees who automatically become contributors under the superannuation act. That is, in the event of one of our earlier recommendations being adopted—that an opportunity for election be given again for a period of a year or such other time as parliament may decide—that automatically their contributions to the retirement fund be transferred to the superannuation fund.

In No. 14 we ask that provision be made for crediting superannuation fund No. 5 with interest at a rate to be fixed by the treasury

board. My understanding is that this is being done now, in effect, but by regulation; we are asking that it be made statutory so as to remove any doubt.

No. 15 asks that provision be made in the statute requiring contributions to be made from the effective date of a contributor's appointment, reclassification or increase of salary, rather than from the date of the instrument authorizing the same. In many cases, I think in all cases, an employee coming into the service has to wait for perhaps six to twelve months before he is made permanent, and sometimes he is reclassified or appointed to a permanent position. We ask that contribution be made from the date on which the employment or change in classification is made effective, rather than the date on which the civil service commission issues a certificate, which may be six to twelve months later. It is not very important, but it will be of some value.

No. 16 asks that provision be made in the statute requiring persons hereafter appointed to positions exempted from the operation of the Civil Service Act, or to temporary positions, which have in either case been designated under the statute, to furnish the same evidence of health as is now required of persons appointed to permanent positions under the Civil Service Act. There are from time to time under all governments, and have been in all years since the superannuation act was set up, occasions on which persons were brought into the service as temporary employees. They may remain there one year or five years or longer, and then, either by civil service commission action or by order in council, become permanent employees. We believe that in order to protect the superannuation fund and the treasury as well, the same evidence of health should be required from such temporary employees on their first appointment as would be required if they were going into the permanent service.

Very interesting evidence was presented to the committee by a medical officer from the Department of Pensions and National Health indicating the incidence of illness and consequent loss of time in the civil service. Hon. members would find it interesting to compare the figures set forth therein with that of some large industrial corporations. I am sure that we can be reasonably satisfied that the civil service employees are not taking too much advantage of the provisions governing absence through illness without certificate, and that the general health of the service has shown a decided improvement, particularly since certificates of the Department of Pensions and National Health have been asked for.

[Mr. McLean (Melfort.)

No. 17 asks that provision be made in the statute for the discontinuance of the superannuation allowance to a dependent child if such person marries before attaining the age of eighteen years.

No. 18 recommends that provision be made in the statute to authorize the treasury board to direct payment of benefits to a person other than the annuitant where the annuitant is not capable of looking after his affairs, and for some other reasons.

No. 19 asks that a change be made to render the right of any contributor incontestable after contributions by him have been accepted during a period of at least three years. This would bring the practice under the superannuation act more in line with insurance practice at the present time. There have been a few cases where errors have been thought to have been made, and where the status of certain persons now in the service and paying to the superannuation fund is in doubt.

No. 20 seeks to authorize the treasury board to discontinue any benefits to a contributor if, subsequent to the granting of such benefits, it is established to the satisfaction of the board that the contributor was guilty of misconduct as defined in the act while employed in the civil service; and in such case to approve of the payment of such benefits in whole or in part to persons dependent upon the contributor for support.

No. 21 asks that provision be made to limit the counting of past non-contributory service of any new contributor, or of any additional past non-contributory service allowed to any present contributor under the amending act, to such service in whole or in part as that in respect of which the contributor elects to pay contributions. If the contributor does not elect to pay his share for past service, then we suggest that the government should not give the fifty per cent free to any new contributor.

A simple change is asked in No. 22: that provision be made to extend the definition of "dependent" to stepmother, stepfather, or widow of a contributor who might now be ineligible for benefit.

Following that we ask for the repeal of subparagraph (c) of subsection 2 of section 9 of the act, which at the present time prevents the widow of a contributor who married after he had attained the age of sixty from receiving any compensation.

In No. 24 we recommend a change that is quite far-reaching in principle, and which the committee believes will do something to allay friction or perhaps jealousy in the minds of

some who are at present in the service. It asks that provision be made to limit the superannuation allowance which any new contributor shall be eligible to receive to the maximum sum of \$4,200 per annum, and in consequence to provide for an adjustment of contributions in respect to the foregoing limitation. The highest figure ever given to any official of the government service under superannuation was \$8,400. It is felt that that sum might well be reduced, that a better feeling would exist in the service if such a wide disparity were done away with. Consequently of course contributions must be required only on the basis of the maximum provided in this case, which would be \$4,200.

A very far-reaching change is recommended under paragraph 25, as follows:

That provision be made in the statute to require new contributors to make contribution at the following rates, namely:

| Salary | Contribution |
|-----------------------------------------------------|--------------|
| \$1,200 and under | 5 per cent |
| Over \$1,200 and not exceeding \$1,500 | 5½ per cent |
| Over \$1,500 | 6 per cent |

This would apply to male employees only; female contributors would continue to pay the present rate of five per cent per annum, regardless of their salary. The reason no change is recommended in regard to female employees is that as a rule they enjoy lesser benefits; for instance they leave no dependents, as many male contributors do. The evidence given before your committee did not make it possible to state with absolute certainty the cost of superannuation, but from all the evidence that was presented your committee believe that cost to be somewhere between 11 and 12 per cent. That belief is reflected in the change here recommended. As a matter of fact some suggestion was offered that it would not be inequitable to raise the rate even for present contributors, but your committee did not make any recommendation in that connection, the only recommendation being with respect to new contributors or to present contributors who will be offered advantages which they do not enjoy at the present time.

Paragraph 26 of the report asks that provision be made in the statute that any new contributor who has over ten years' service and whose position is abolished shall be granted an allowance equal to two-thirds of the allowance he might have been granted if at the date of the abolition of his position he had been retired on account of age or ill-health. This is inserted to deal with a practice which I am glad to say is not common, by which an employee, perhaps wishing to

get into some other business, or to get married, or for some other reason, who has not the length of service that would enable such contributor to be retired and receive the full amount of superannuation in the ordinary way, very often asks, or brings pressure to bear, to have the position abolished, in which case he or she becomes eligible for the full amount of superannuation which has been earned. We believe that by reducing the superannuation payable to two-thirds of the full amount, that practice will be very materially checked.

Paragraph 27 asks that provision be made in the statute to authorize the granting to any new contributor who, having served in the civil service for ten years or upwards, is retired on account of inefficiency, two-thirds of the superannuation allowance which he might have been granted if at the date of his retirement on account of inefficiency he had been retired on account of age or ill-health. This is in line with the previous recommendation, and deals with a situation which is somewhat troublesome in certain departments where employees have become inefficient. If there is no provision for retiring them with superannuation, human nature being what it is and heads of branches and departments being what they are, it is very difficult to secure such retirement. If this provision were made, under which two-thirds of the superannuation possible in the event of retirement for ill-health would be made available, then your committee felt this difficulty might be remedied.

Mr. REID: If I might ask my hon. friend a question, was the committee given any figure as to the number of civil servants being retired for inefficiency?

Mr. McLEAN (Melfort): I would not like to answer that question categorically. My impression is that a few have been retired for inefficiency, but it is not an easy matter to retire men or women for inefficiency after years of service, if no superannuation is available to them or if the superannuation is so small that it would be of no value. So your committee thought it would be well to make this recommendation.

I have taken more time, Mr. Speaker, than I thought would be necessary in order to offer these interpretative remarks in regard to some of the more important phases of the report. I move that the report be concurred in.

Mr. A. A. HEAPS (Winnipeg North): I am in favour of this report in a general way, and its importance can be easily gathered from the fact that it will affect approximately

50,000 employees of the government. However, there is one aspect of the question to which the hon. member for Melfort (Mr. McLean) did not refer, except indirectly. It is intended to give extended benefits to a very large number of those employed by the government. I am in hearty agreement with that; I think we should try to bring under the superannuation fund every person working for the government, and I believe that has been the purpose of the committee, which has done its work fairly well. I should like to say a word or two, however, in regard to the fund itself. The hon. member for Melfort made no mention of the status of the fund, as to whether or not it is solvent, and what is likely to be the situation when these additional benefits accrue to those who will be entitled to them if this report is adopted. I hope before that is done we may have from the government some statement of policy and some indication as to whether it is their intention to implement this report by legislation at the present session of parliament. Personally I hope they will. Committees have been working on this matter for several sessions. They have called many witnesses, heard a great deal of evidence and spent much time on the question. I believe the civil service are anticipating that at this session the government will implement the report by the necessary legislation.

If my memory serves me aright, the amount to the credit of the superannuation fund at the present time is approximately \$58,000,000. That is a fairly large sum of money, but in my opinion, after listening to the evidence submitted to the committee, it is questionable whether or not the fund is solvent. Personally I have great doubt as to its solvency. We were told in the committee that whether or not it was solvent the government were behind it and, that being so, it was bound to be solvent. The very fact that the committee has recommended that persons who subsequently enter the employ of the government and come under the superannuation fund should be required to make a larger contribution to the extent of one-half or one per cent, is an indication that the fund at present is not on a sound actuarial basis. I should like to have seen the fund thoroughly examined by competent men. No doubt we have competent men in our department, but I should have liked that question investigated and the fund put on a proper, sound, scientific basis so that we would not be told at some subsequent time that it is not on a sound footing. I should like the mover to have informed the house as to the

[Mr. Heaps.]

anticipated contributions the government would have to make in order to keep the fund on a sound basis and to provide the benefits set out in the report which I hope we are about to adopt. No mention has been made at all of this aspect of the question, but I suggest it is important. If we are to give benefits to an additional 15,000 employees in the employ of the government, we should have some idea of what the cost will be. I believe that point has not been touched on in the report. In my estimation—and I believe the view is held by some members of the committee and by some of the government experts who worked on the question—if we are to put this vast number of civil servants under the superannuation fund and extend to them the benefits of that fund, it will involve a large capital expenditure on the part of the government to keep the fund on a sound basis. What the approximate amount would be, I cannot say; but I do feel we should have some estimate from the committee on that particular point.

I feel, too, that when these additional members of the civil service attain the benefits mentioned in the report, within a reasonable time—probably two or three years—there ought to be a survey of the fund to see how it is operated. On that point we have heard nothing from the committee.

These are the few remarks I wanted to make this morning. Personally, however, I hope the Minister of Finance (Mr. Dunning) will intimate to the house this morning that the recommendations of the committee are likely to be implemented at this session by legislation. As I said a moment ago, large numbers of employees of the government have been looking forward to this report for a number of years. Now that the report is before the house, unless it is accepted by the government and implemented by legislation, thousands of civil servants will be greatly disappointed.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I should like to congratulate the hon. members of the committee and its chairman for this excellent, useful and practicable report. If implemented it will remedy grievances and injustices, and perhaps certain inequalities, from which civil servants in these days and for many years have been suffering. They had almost despaired of having any action taken on their behalf. Other hon. members and myself have appeared before committees from time to time in years gone by, and in many cases the result was a mere stalling report. In some instances the matter was referred to officials who had nothing at

all to do with it, and in other cases there was the statement that there was not time to consider the matter. But this is a real, practical and comprehensive report, dealing without fear or favour, apparently, with a lot of cases.

I am particularly interested in paragraph No. 8, which states:

8. That provision be made in the statute to render prevailing rates employees eligible to become contributors subject to designation by governor in council on the recommendation of the treasury board of the various classes and individuals to be so rendered eligible.

I presume that that will apply to and cover a class which for many years has been overlooked, namely, the masters, mates, officers and petty officers on board government boats. That is certainly a very necessary thing and I am sure it will be appreciated.

I have only one note of criticism to add with respect to the whole report—and possibly my criticism arises from the fact that I do not sufficiently understand it. Paragraph 21 is as follows:

21. That provision be made in the statute to limit the counting of past non-contributory service of any new contributor or of any additional past non-contributory service allowed to any present contributor under the amending act to such service in whole or in part as in respect of which the contributor elects to pay contributions.

Let us assume that certain employees are receiving \$90 a month, as some of the men on the steamers do. We will say that they have put in thirty-four years. Under the old act they could come into seventeen years' superannuation without making any payment. If they elected to come in for the whole period they had to pay the arrears. I believe that was a proper procedure. But if I read this aright it will mean that any man coming in now will have to pay up, in full, the whole sum, a procedure which he would be quite incapable of doing, and he would thereby be prevented from coming in at all. It may be that the paragraph in the report is subject to the clause now appearing in the present act whereby a man or woman who wishes to pay up his or her arrears is permitted to do so by making monthly payments, which would carry over not only their period of service but after their superannuation. If that is to be understood it would be satisfactory. But if it is, as I fear it is, it would mean that it would have to be taken care of in some way, or it would not be of much value to some people.

I join with the hon. member for Winnipeg North (Mr. Heaps) in impressing upon the government the necessity of taking steps, even

this late in the session, to implement the report. If necessary they could do so by legislation, or if the Department of Justice rules that it may be done by order in council or through the Civil Service Act, a pronouncement should be made so that the people concerned may have their long anxieties set at rest so far as their future is concerned.

Mr. J. J. McCANN (Renfrew South): Mr. Speaker, the detailed explanatory remarks of the hon. member for Melfort (Mr. McLean) in presenting the report and moving its adoption do not call for additional observations upon my part, as seconder. I wish to point out merely that the government, as the largest employers in the country, should at all times find it to its advantage that proper protection be given to its employees.

During the sittings of the committee and in the preparation and presentation of the report we considered and studied the superannuation schemes of a large number of industrial concerns in Canada. No doubt in the report we have incorporated some of the better recommendations and practices of those industrial concerns. Speaking a few moments ago the hon. member for Winnipeg North (Mr. Heaps) referred to doubts that were in his mind as to whether the fund was insolvent. I have taken the stand throughout the deliberations of the committee that the contribution made by employees was a deferred payment of salary, and that that part of the contribution made by the government was a bonus. I believe that is a fair way of looking at it. Any employee who has given good service throughout the years and has been a contributor to superannuation, whether or not he has been an employee for less than ten years, should have that money returned to him when he quits the service. That will be done, if the report is implemented.

I took the stand also that so long as the credit of Canada is behind the superannuation fund it is not at any time, nor can it be declared, insolvent, so long as the country is solvent. Whether or not a separate fund is set up and the money in that fund put into separate securities, earmarked and kept apart for this particular purpose of superannuation does not make a great deal of difference. It is being administered by the Department of Finance and the treasury board has complete supervision over it. Recommendations must be made when amounts of money are to be taken from the fund. There has never been any question in my mind with reference to its solvency.

I do not believe it was the duty of the committee to make a note in the report as to what the increased costs might be in the event of implementing the different provisions. If and when legislation is brought down enacting some of the recommendations, I have no doubt the minister in charge of the bill will be in a position to give details with respect to any added costs there may be.

I ask that hon. members study this important report, and I urge the government to implement the recommendations contained therein, if possible this year. The government is the largest employer in this country and we owe a duty to those in the civil service who have been waiting for years for the benefits they would receive as a result of the implementation of these recommendations. I hope the necessary legislation will be passed at this session.

Mrs. MARTHA LOUISE BLACK (Yukon): Mr. Speaker, I want to congratulate the chairman of this committee upon this voluminous and carefully considered report. As hon. members on the government front benches know, for many years we in the Yukon have felt that a grave injustice has been done to the civil servants there. These civil servants are required to contribute on their salary and living allowance. For a time those who retired received superannuation on the basis of their salaries and living allowances, but due to the caprice or whim of an official in the department this was changed without any warning or excuse.

Mr. ILSLEY: When was it changed?

Mrs. BLACK: I think in 1927. It was thoroughly dishonest and corrupt. That practice was continued by the Conservative government. When I made a similar statement in the house before, the former leader of the Conservative government corrected me. I did not catch his remark at the time, but I told him afterwards that two wrongs never make a right. Because one government did this to the civil servants was no reason why another government, even a Conservative government, should carry on the practice. I have tried to be entirely independent and impartial. These men who paid in on both salary and living allowance looked forward to receiving superannuation on the same basis, just as anyone would who had paid into an insurance company.

I know of one very sad case, that of a civil servant who has been retired. This man has an invalid wife, and an invalid daughter, and instead of receiving about \$72 per month, as

[Mr. McCann.]

he should, he receives less than \$50. The doctors ordered him to take his family out of the country because of the cold weather. It was very difficult for him to do this. I have hoped against hope that at some time the government would see fit to remedy this injustice. There are only a few civil servants in the north and they have rendered good service. Anyone who has lived in the north knows the prices that must be paid for everything. When I consider the prices asked by the fruit stands in Ottawa, I cannot help but think of what we in Yukon must pay for the few luxuries we have. How would hon. members like to pay \$3.50 to \$5 for a watermelon? How would they like to pay from \$1 to \$1.50 for a pound of cherries? We should have some luxuries, and our civil servants find it very hard to get along. I beseech the government again, as I have before by letter and by word of mouth, to remedy this injustice. I believe the recommendations in this report will help to a large extent, but there is still much more that can be done.

Mr. N. J. M. LOCKHART (Lincoln): Mr. Speaker, I desire to say a word or two in connection with the splendid presentation by the chairman of this committee, of which I happened to be one of the humble members. I concur in what was said by the hon. member for Winnipeg North (Mr. Heaps), that it was disappointing that the committee did not get full and adequate information as to the exact actuarial standing of the superannuation fund. However, I appreciate that because of the way in which this fund has been handled over a long period of years it might be difficult to give this information at the present time. I believe that the members of the committee did their best. The officers of the department cooperated in every way, and every effort was made not to break faith with those who have contributed over a long period of years. We also endeavoured to take in as many as possible of those who did not elect to come under the superannuation act when the opportunity was afforded some years ago.

The committee has made no effort to change the basis of superannuation, leaving it as it is provided for by the old act on a ten-year basis. I think by and large across the country, salaries are generally considered on a five-year basis. I mention this so that hon. members of this house may give the matter due consideration when the report is being discussed fully. Along with other members of the committee I do hope that the government will consider this report most seriously. I

concur in the suggestion by other hon. members that the recommendations should be implemented, if possible at this session. However, I would point out that this report is of particular significance to thousands of civil servants across Canada, and I should not like to see it dealt with too hurriedly. I believe this report will more or less establish the basis for which civil servants have been waiting many years.

I join with all members of the committee in expressing my appreciation of the manner in which the committee was conducted and I appreciate having been given the opportunity to serve on it. I urge that full consideration be given by the house to all the details of this report, and other amendments which may be suggested by the departmental officials.

Hon. J. L. ILSLEY (Minister of National Revenue): Mr. Speaker, if no other hon. member desires to speak, I should like to say a few words on behalf of the government. I think everyone recognizes that this is a very able, thoughtful and extensive report. However, if its recommendations are fully implemented, it will be a most costly report. I do not suppose it would prove a service for me to give the house an estimate of the total cost of carrying out all these recommendations, but if maximum advantage is taken of the recommendations by all civil servants in Canada, it will mean a considerable additional annual cost to the government.

Mr. CAHAN: What would the cost be?

Mr. ILSLEY: After deducting the increased contributions, the additional annual cost to the government is estimated at \$1,533,500. It is estimated that the applications for arrears would cost nearly \$15,900,000. These are the estimates which have been placed in my hands. The government has no objection to the house adopting this report, but it is most far-reaching. According to the information I have, it will mean placing from 15,000 to 20,000 temporaries under the superannuation fund. This will mean a considerable drain on the fund, which of course is not self-supporting. I am not now referring to the solvency of the superannuation fund, but it should be remembered that the government is assumed to contribute as much as the contributor. Therefore, an additional 15,000 to 20,000 contributors would mean a considerable expense. I am aware that no government should look at this matter purely from the standpoint of cost to the taxpayers, but the government must have some regard for that and must consider these recommendations with that in view.

There are a number of factors which I might mention. One recommendation is that the option of transferring to the superannuation fund be given to those who have elected to remain contributors to the retirement fund. There are 4,900 persons who will possibly take advantage of this. Periods of election were given some years ago, first from 1924 to 1925, next from 1925 to 1926, and then from 1926 to 1927. These contributors did not avail themselves of the right to elect during that period. If the house adopts this report, and I have no particular objection to the principle if hon. members wish to approve it, they will be giving these persons the right again to come under the superannuation fund. If they pay up their arrears and take advantage of the benefits, a very heavy obligation will have to be assumed in this connection by the government.

Of the twenty-eight recommendations in this report, many have numerous ramifications. I do not think that this is the time or the place for me to go into them. The government can give no undertaking at the moment to implement the report at this session. It will have to give consideration, perhaps extensive consideration, to just where all these recommendations lead. It might be that if parts of the report were adopted by legislation at this session important changes would be made. Apart from that I do not know that I can say anything at this time. If the house adopts the report the government will have to reserve the right to take a little time for consideration and not bring in a bill at this session.

Motion agreed to.

PRIVATE BILL

SECOND READING

Mr. W. A. WALSH (Mount Royal) moved:

That bill No. 145, an act for the relief of Lucy Violet Siggins Hopson, be now read a second time and referred to the standing committee on miscellaneous private bills.

Mr. SPEAKER: By leave of the house.

Mr. LAPOINTE (Quebec East): When did this bill come back from the senate?

Mr. SPEAKER: Yesterday, and was read a first time.

Mr. LAPOINTE (Quebec East): Very well.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

JOHN E. PITT, MONTREAL

Mr. CAHAN:

1. On what date was John E. Pitt appointed returning officer for the electoral district of St. Lawrence-St. George, under the provisions of the Dominion Elections Act, 1938?

2. On what date was Mr. Pitt first notified of his said appointment?

Mr. RINFRET:

1. Mr. John E. Pitt, appointed returning officer for the electoral district of St. Lawrence-St. George, pursuant to section 8 of The Dominion Elections Act, 1938, by His Excellency the Governor in Council on January 19, 1939 (P.C. 160).

2. Mr. Pitt was first advised of his appointment as returning officer by the chief electoral officer on January 23, 1939.

*CANADIAN AND UNITED STATES WHEAT
MARKETING POLICIES

Mr. CHURCH:

1. Did the government or any officer thereof receive any request from Honourable H. A. Wallace, federal Minister of Agriculture of the United States for a conference regarding the orderly marketing of wheat of the two countries' exportable surplus? If so, on what date, and what reply was made?

2. Will a copy of all letters, papers, correspondence, telegrams and all other documents connected therewith be tabled?

Mr. EULER: Perhaps I may make a brief verbal reply to the question of the hon. member for Broadview (Mr. Church) as to whether any conferences have been held between the United States and Canadian officials with regard to wheat marketing policies. There has been only one conference, and that was held in August of last year. It arose by reason of the fact that there was some sort of gathering of agriculturists at that time at Macdonald College, Quebec, and the officials of the United States department of agriculture, together with the under-secretary for agriculture, took advantage of the occasion to meet some of the officials of the Canadian government to discuss wheat marketing policies. The under-secretary of agriculture of the United States discussed wheat prospects in that country and the market outlook in view of world wheat conditions, and requested and received from the Canadian officials information as to the practice of marketing wheat in this country through the wheat board, the guaranteed advanced price, and the

[Mr. Lapointe (Quebec East).]

offering of wheat constantly for sale at competitive prices. The officials from the United States then described their own problem and intimated that possibly they might work along the same lines with regard to the marketing of wheat. No commitments were made. I do not know that I can add anything to what I have said.

Mr. PERLEY: What date was that?

Mr. EULER: That meeting was held on August 25, 1938.

Mr. SPEAKER: Answered.

ONTARIO GRADING AND INSPECTION

Mr. HOMUTH:

1. Is there a corn grading or inspection branch or office in either of the counties of Essex or Kent?

2. If so, what persons are employed in such branches or offices?

3. What salary does each such person receive?

4. What is the total cost of the branch or office?

5. How many cases of corn were inspected and/or graded during the years 1937 and 1938?

6. What was the revenue from such branch or office?

Mr. EULER:

1. Inspection office, Chatham, Kent county, opened September 1, 1938.

2. Q. C. Moffat and G. Caron.

3. Q. C. Moffat, grain inspector, \$163 per month; G. Caron, grain sampler, \$110 per month.

4. \$4,210.23 from September 1, 1938 to March 31, 1939.

5. 26 carloads since office opened until March 31, 1939.

6. \$209.

EXPORTS TO UNITED KINGDOM AND SOUTH
AMERICA, 1932-38

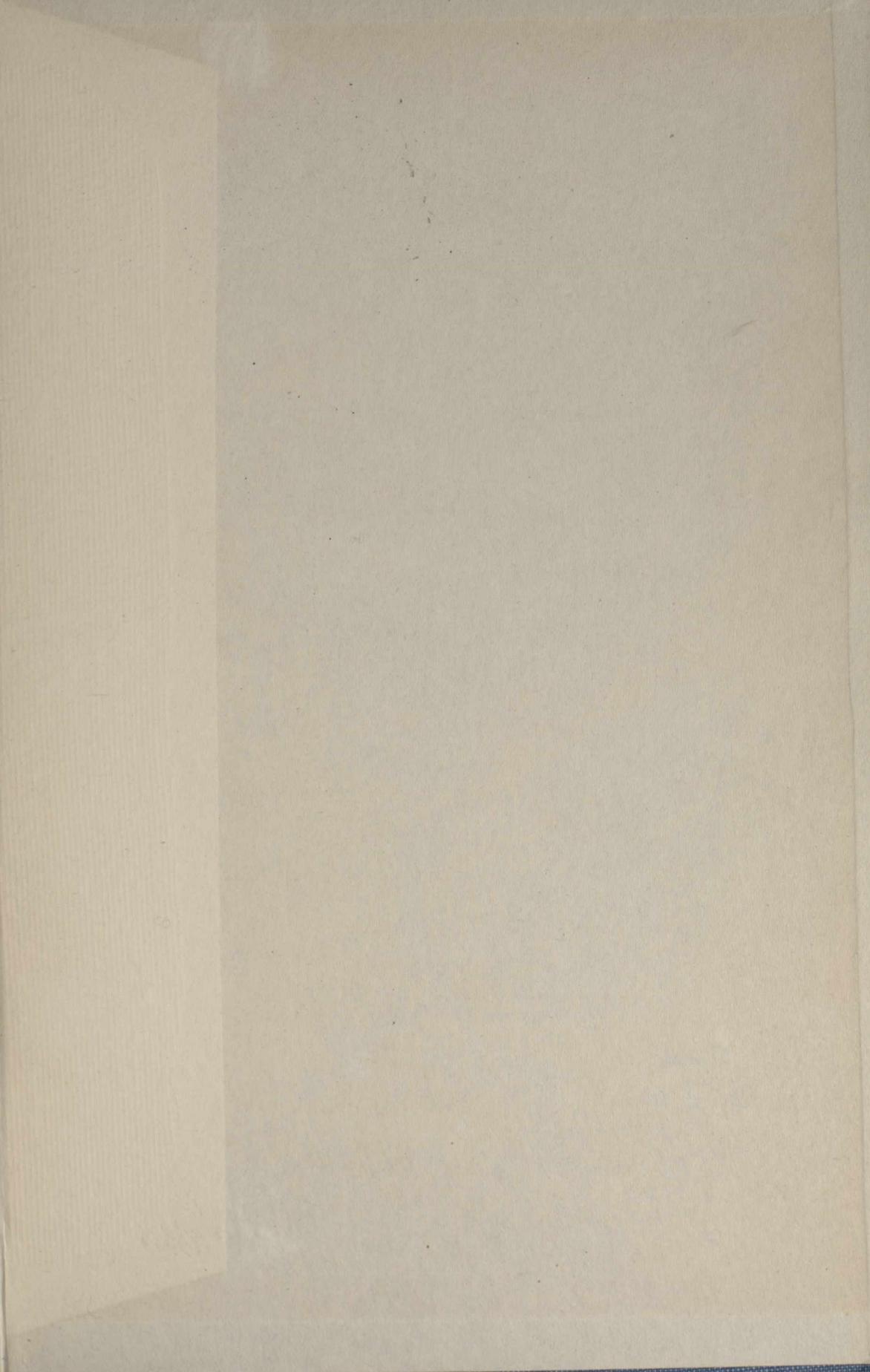
Mr. HYNDMAN:

1. What were the total exports from Canada to the United Kingdom during each of the fiscal years 1932 to 1938 inclusive?

2. What were the total exports from Canada to the South American countries during each of the above years?

Mr. EULER:

| 1. Fiscal years | Domestic exports |
|--------------------|---------------------|
| 1932.. | \$174,043,725 |
| 1933.. | 184,361,019 |
| 1934.. | 288,582,666 |
| 1935.. | 290,885,237 |
| 1936.. | 321,556,798 |
| 1937.. | 407,996,698 |
| 1938.. | 409,411,682 |



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