been in power for five months and after it had had ample time to assess the financial situation. That commitment was made in January and abrogated on May 23 when the budget came down.

The Minister of National Health and Welfare then found himself on the far side of the facts once more when he compounded his embarrassment of having been in a position where the Government was doing something he said it would not, by claiming that seniors supported what the Government was doing. That did not last very long because, I am sure, Members of Parliament on the government side began to get the message back to the Government that it was bad enough to do this to seniors but it was compounding the error to get up and claim that it actually had their support. That was adding insult to injury and making matters a lot worse. And very soon we found the Government saying that it never really did claim that seniors supported this and it was aware of the lack of support for this move. So the Minister changed his mind on that also.

The third thing said repeatedly by the Minister which was contradicted by the budget was that no money obtained from changes in the social benefits package would go towards cutting the debt. Yet reducing the debt has been the kernel, the core of every answer given by the Minister of National Health and Welfare to questions raised in this House about the old age pension. It is in direct contradiction to everything he ever said about money saved from cut-backs in social programs not being used to reduce the debt. Yet that is the very thing he has said over and over again in this House since the budget came down.

● (1820)

The fourth thing the Minister has been saying which is not true has to do with the indexing of the Guaranteed Income Supplement. He keeps trying to give the impression that people who receive the GIS are fully protected by this Government. That is not true. People who receive the GIS also receive Old Age Security, and those payments will not be as high as they normally would have been because of deindexation. This is to be distinguished from what happened under the Liberals when they brought in six and five because even they had the decency to double-index the GIS so those people would not suffer from the changes. This the Conservatives have not done and that is why it is false for them to stand up and say that people receiving the GIS have been fully protected. They have not been fully protected.

This Budget is morally disgusting in the way it demands of senior citizens a sacrifice which many of them are unable to make. At the same time it turns over billions of dollars to the oil companies, the investment community, and people who have the opportunity to make a capital gain of $500,000. Is this what you call moral rectitude, giving a capital gains exemption of $500,000 to people who have accumulated all those assets over a lifetime while at the same time asking pensioners on the GIS to make a sacrifice for the country? I think the whole darn thing stinks, pensioners think it stinks, and this Government is going to come around, you wait and see. If it does not, people will remember four years from now who it was that said one thing before the election, particularly to the elderly, and then did another after being elected.

[*Translation*]

Mrs. Gabrielle Bertrand (Parliamentary Secretary to Minister of Health and Welfare): Mr. Speaker, I welcome this opportunity to answer the questions raised by the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie). When we reviewed our social programs, we stressed that the principle of universality would remain unchanged. This principle is the basic element of our social—

[*English*]

Mr. Blaikie: You said there would be no change in the system; you did not say there would be no change in universality.

The Acting Speaker (Mr. Charest): Order.

[*Translation*]

Mrs. Bertrand: I listened to you, now listen to me!

This principle forms the basic element of our social safety net for the elderly. In fact, senior citizens have informed us that they were opposed to any changes in this respect. Therefore, no changes will be made in the universal Old Age Security pension.

I hope the Hon. Member will listen carefully to what I have to say next. As we announced in the Budget, the Old Age Security Pension will be indexed only for the annual increase in the consumer price index greater than 3 per cent. In addition, the Guaranteed Income Supplement, a key program on which half of elderly Canadians depend, will be fully indexed to cost-of-living increases. We also formally announced in the Budget, and this has been repeated several times, by the Minister of Finance (Mr. Wilson), the Minister of National Health and Welfare (Mr. Epp), my colleagues and myself as well, that the Government will be monitoring the situation very closely, to ensure that benefits are adequate, in light of present and future needs. We will increase these benefits as resources permit, and we shall be very happy to do so.

The Hon. Member for Winnipeg-Birds Hill does not seem to be aware of the important measures taken by the Government which have had a direct and positive impact on senior citizens and needy Canadians. For instance, the Government has shown its support for the disabled. The definition of disability for income tax purposes will cover all types of serious disabilities affecting Canadians, and many elderly will be able to benefit from this measure. Furthermore, provisions to improve standards for private pension plans under federal jurisdiction will have a much broader impact. Since a consensus has been reached between the federal and provincial governements, we hope that standards for pension plans will be uniform at both