

Oral Questions

What is happening is that the Government of Canada is paying between 10 per cent and 11 per cent on marketable bonds. Some people in the marketplace have proposed that we should consider indexed bonds because they can be issued at between 7 per cent and 8 per cent. That amounts to a saving of some \$30 million to \$40 million on a bond issue of \$1 billion.

The Leader of the New Democratic Party cannot have it both ways. He cannot tell us to look for other ways of saving money, and then turn around and say that we should not try to do something which some people have said will save \$30 million to \$40 million.

INVESTOR PARTICIPATION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister cannot have it both ways. He cannot take away indexation from the pensioners and give it to the investors of Canada. That is what he is doing.

Some Hon. Members: Hear, hear!

Mr. Broadbent: I would like to ask the Minister, as we have checked with a stock brokerage firm today, will he admit to the House—

Some Hon. Members: Oh, oh!

Mr. Broadbent: —he has talked about the bonds which he wants to create—

Some Hon. Members: Name it.

Mr. Speaker: Order, please.

Mr. Broadbent: Will the Minister acknowledge that it is not the ordinary pensioner who will be able to take his money and buy stocks? In fact it will be, as the stock brokerage firm informed my office, wealthy individuals on the one hand, and large corporations on the other hand, which will use his scheme. Will he admit that?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I would suggest that the Hon. Member change his broker, because that is wrong. Buyers of indexed bonds, if they are to meet any sort of successful response in the marketplace, would be pension funds, insurance companies, and those financial organizations which are established to provide for the retirement income of Canadians. That is the market at which we are directing the proposal. It is not for corporations, and it is not for upper-income people. It is for the companies which are providing pensions for the many unionists whom the Hon. Member says, he likes to represent.

REQUEST THAT PROPOSAL BE DROPPED

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister is in a nice position to give some assurance to Canadians. He has talked about pension funds for pensioners. He does not have to wait for a monitoring process, which will go on for a

number of weeks or months, to admit that pensioners will suffer because of this measure. If he is concerned about pensioners, will he now tell the House that the Government will restore indexation for pensioners, and that it will not proceed with its scheme to give investors a special break until all groups of Canadians are protected against inflation?

● (1430)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me make it quite clear that this proposal, if you want to call it a proposal, had been discussed by the Liberal Party when it was in government—

Mr. Broadbent: So?

Mr. Wilson (Etobicoke Centre): —and it was raised with me during my time as Minister of Finance, as a proposal. There is nothing imminent about it. Nothing is going to happen tomorrow or next month. It is something we are trying to explore to see whether there are ways of saving money for the Government of Canada and, through the Government of Canada, for all taxpayers.

I would hope that the Leader of the New Democratic Party would give us some support in trying to control government spending, so that we can then restore some of the social programs which all Canadians, including my colleagues on this side of the House, would like to see in place.

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[Translation]

OLD AGE SECURITY

SOCIAL PROGRAMS—GOVERNMENT POSITION

Mr. Jean-Claude Malépart (Montreal-Sainte-Marie): Mr. Speaker, my question is directed to the Right Hon. Prime Minister of Canada.

Mr. Speaker, I think everyone is aware that this Government is more concerned about helping the rich than trying to help the needy.

Mr. Speaker, last January, five months before this Government came to power, the Prime Minister was aware of the Government's financial situation, he was aware of the national debt, and at that time, through his Minister of National Health and Welfare, he promised that changes in social programs would not be used to reduce the deficit.

My question is as follows: Could the Right Hon. Prime Minister explain to the House, and perhaps he would care to look me in the face instead of reading, could he explain to Hon. Members and all senior citizens in Canada what made his Government renege a second time on its commitments to senior citizens?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, what happened is that last Friday, we were informed that