

Supplementary Retirement Benefits

Hillsborough (Mr. Macquarrie) in believing that there is no disagreement that the Canada Pension Plan ought to be amended, and quickly. Surely, there is no reason for, not having provision in the legislation for the adjustment of pensions generally on a quarterly basis. If I read the bill correctly, it contains no such provision. I support the changes brought forward by the bill. We should deal with it today and so ensure that the beneficiaries would not have to wait until January 1, 1974 to feel the effects of it.

If the record of the government in the first part of 1973 has any relationship to the increased cost of living, between today, September 7, 1973 and January 1, 1974 many retired public servants are going to suffer unnecessary hardship and will continue to do so. The standard of living of these public servants has deteriorated over the years and it is difficult to see how some of them have survived. Farm costs have risen by 13 per cent in the second quarter of this year and one does not have to be a mathematician to understand the effect of this on food prices. Milk production has decreased by 6.1 per cent from last year. The annual rate of inflation is 8 per cent and of the seven most industrialized nations of the world we have had the fastest escalation of food prices with 14.7 per cent. Just yesterday we heard reports of further increases in fuel costs, and today it is reported that the general wholesale index has increased by 2.3 per cent. Surely, Mr. Speaker, this action has come too late as a result of the stubbornness of this government. The people ought not to have been exposed to the suffering that ordinary human compassion could have alleviated.

I am very pleased to take part in the debate with my good friend and neighbour, the hon. member for Winnipeg North Centre. He has long been the champion of pensions and has advanced the cause of many who were not in a position to help themselves. However, I do not want him to be misled by the kindness of my personal sentiment towards him. If we are now faced with high prices, inflated costs and greater farm input costs, it is to a great extent because the New Democratic Party has been prepared to live with a government whose policies are conceived in ineptitude and born out of expediency. Perhaps that is why in his speech the hon. member did not mention the responsibility for high costs, the difficulties of many people and the ineptitude of this government in dealing with the problem.

I am not sure whether the consumer price index is the proper yardstick when tying escalations to pensions. One would hope that it would remain relatively stable but if the past record is any indication, it probably will not. Perhaps it is much too broad an index to which to tie future increases. The hon. member for Winnipeg North Centre mentioned the possibility of using the wage index or the index of productivity and perhaps that suggestion is worth pursuing.

In the bill that we dealt with earlier there was some mention of using the highest items that make up the consumer price index; food, housing and clothing. I would ask the government to consider all these indices when trying to find a way to bring more justice to retired people. I agree with the hon. member for Winnipeg North Centre as well, that perhaps there is some question about the investment, use and management of funds held in

trust by the government. Many public servants question this. I am satisfied that the government that will succeed the present government will look at this important field of public trust. The position of women in the public service, the position of widows, which was well illustrated by the hon. member for Winnipeg North Centre, and the six-year rule which affects the calculation of pensions, are important matters. By studying these areas, perhaps we can make our pensions more beneficial to recipients.

• (1440)

There are still discrepancies, although there ought not to be, in our pension arrangements and there is still a discounting of pensions and superannuation benefits with respect to members of the Armed Forces who have retired and have entered the public service. I suggest that because of present salary scales these discrepancies are lessening. It seems to me that a breach of principle is involved in this matter when, in 1973, it is still felt that service in one area of the government ought not to be recognized when the person who has so served his country serves it in another area.

I think injustice and wrong principles are involved in matters to do with the pensions of members of parliament. Let me explain. If a former member of parliament who draws a pension is appointed by a province judge, he may continue drawing his full pension as an ex-member of parliament, which will depend on the length of his service, the amount of his contributions, his rank and so on, and receive the emoluments of his new office. If that same person is appointed to the position of county judge or some other office that comes under the Crown in right of Canada, he cannot do that. Some people may be cynical, but why should there be this discrimination? There is no such discrimination if a person who draws a pension from industry enters the public service of Canada. We ought to accept the fact that pensions, whether from industry, or whether arising from service in the public service of Canada or from service with the armed forces, the Royal Canadian Mounted Police, the Governor General and the other areas covered in the bill, are the result of services rendered. They are earned and ought to be paid. That being so, we should not recognize such service on the one hand and, by a regulation, deny the recognition of that service if the particular person concerned chooses to serve his country and his community in another capacity.

Really, we have only begun to scratch the top of the barrel in Canada in our dealings with pensions. We have hardly opened the barrel. We have only begun looking into the question of pensions. On behalf of the many public servants who have written both to me, to the hon. member for Winnipeg North Centre and to others, and on behalf of those who have not written but have just suffered under a system which made few pretensions to equity until today, I join with the hon. member for Winnipeg North Centre in extending thanks to the President of the Treasury Board for bringing forward this legislation even though it is done in crisis and as an answer to the economic difficulties which the government has brought upon itself and the country. As I said at the beginning, welcome though these advances are to all those who will receive them, they were not born out of any underlying motive to protect retired

[Mr. Baker.]