

Supplementary Retirement Benefits Act (No. 2)

Then the writer goes on to deal with the Public Service matter, and we read the following:

Retired civil servants have an additional reason to be unhappy. During their working years, they made extra contributions from their wages in order to help pay for indexed pensions. And they planned their retirements and their savings plans with the legitimate expectation of fully-indexed pensions.

By imposing limits, the government breaks faith with these retired workers. And most of them are not high-income mandarins who have gone on to second careers as consultants. They are former clerks and secretaries who earned modest salaries and retired on correspondingly modest pensions. If those pensions are no longer fully indexed to inflation, some retired civil servants will undoubtedly have to make painful cuts in their day-to-day budgets.

Then the writer refers to the pension document, the green paper on pensions. He writes as follows about the tabling of that document in the House of Commons:

It contained numerous cogent arguments for protecting all pensions—public and private—from the inroads of inflation.

The green paper argued against the very band-aid approach which this Bill is and which the former President of the Treasury Board, speaking on behalf of the Government before the Miscellaneous Estimates Committee, indicated would not take place. The editorial in the *Toronto Star* concludes with this paragraph:

Lalonde and Bégin have shown that they recognize how important indexing is for the majority of Canada's elderly. What they should do now is restore that full indexing to the old-age security payments and the retired civil servants' pensions.

To that I say amen. That is what should be done.

What the Government is doing with this Bill is causing a permanent loss of purchasing power of old age pensioners and retired civil servants.

The cost saving of Bill C-133 is worth noting. According to the figures supplied by the Treasury Board, Bill C-133 will save the Government \$60 million in 1983 and about \$105 million in 1984. Do you know what that amounts to, Mr. Speaker? It amounts to \$4 a taxpayer in 1983 and \$7 a taxpayer in 1984. It would cost retirees an average of \$400 in 1983 and \$700 in 1984, 1985, 1986, 1987 and every other year until that retiree dies. That is what this Bill means. Anyone on the other side who thinks this Bill is for only a two-year period, and anyone who is telling people, constituents or otherwise, that this Bill is to be for only two years, is at best, and putting it most charitably, pulling the legs of those people. That is the situation in which we find ourselves in this matter.

Someone argued that there is no written contract. Isn't that wonderful, Mr. Speaker? The last refuge of the knaves is that there is no written contract. There is not, Mr. Speaker? There is no written contract? Is the Government saying that it does not have a moral obligation and does not feel bound by its moral obligation as it would if somebody had put it down in writing? Is the statute that we are amending not written? You bet it is, Mr. Speaker. It is part of the statute law of Canada. Are the statements of Ministers of the Crown in the House on this and other occasions, before the Miscellaneous Estimates Committee and before other committees not written and are they not undertakings on which we should be able to rely?

Mr. Wise: What about the Prime Minister's statements?

Mr. Baker (Nepean-Carleton): Does the Prime Minister's word mean anything?

An Hon. Member: Apparently not.

Mr. Baker (Nepean-Carleton): There are people in the country who would say that.

Mr. Munro (Esquimalt-Saanich): There are many more now.

Mr. Baker (Nepean-Carleton): Many, many more are going to say it.

Mr. Riis: His Party Members will say it.

Mr. Baker (Nepean-Carleton): I do not want to lay this completely on the Prime Minister. I want to lay the burden for this where it belongs.

• (1150)

Mr. Riis: Where does it belong?

Mr. Baker (Nepean-Carleton): It belongs on the Liberal Party which has backed off from the undertakings it gave over the years—

Mr. Darling: With the exception of four.

Mr. Baker (Nepean-Carleton):—with the exception of four courageous people; and my motion will allow others to join them, so to withdraw the Bill.

Mr. Murphy: We need 50 more Liberals because the Tories will not show up.

Mr. Baker (Nepean-Carleton): I ask whether the word of the Prime Minister (Mr. Trudeau) means anything. What did he say? What have we heard in election campaign after election campaign in Canada? We have heard the essence of the letter he wrote to Mr. Power of the defence component of the PSAC on October 12, 1977. This is what he stated:

I have noted your concern that the indexation of Government pensions be maintained.

It is much more than a concern. Here it is, the Prime Minister at his best:

In our society, pensions provide a means of sharing risk so that we can retire in reasonable security and dignity without fear of the future. Protecting pensions from inflation by indexing them to increases in the cost of living should be an integral part of our pension schemes.

And it was, in all of them. He went on to state:

Indexing does not give pensioners an increasingly larger share of our economy's production, that is, more money to buy things that they could not earlier afford. Rather, indexing merely enables pensioners to maintain, roughly, their same standard of living.

That was a statement of simple justice, applied to them all. He went on to state:

Even a modest rate of inflation destroys, at a devastating rate, the buying power of people on fixed incomes.