

Old Age Security Act (No. 2)

[English]

Bill C-131 will limit the increase in the basic old age pension to a maximum of 6 per cent in 1983 and 5 per cent in 1984. Previously, this pension has been fully indexed to the rate of inflation as measured by the Consumer Price Index. If consumer prices in fact rise faster than 1.5 per cent a quarter in 1983, and it is projected that they will rise by 1.2 per cent a quarter, this Bill will result in a sacrifice in real purchasing power by those who receive the old age pension and do not receive the Guaranteed Income Supplement or spousal allowance.

The other day some of us talked with considerable anxiety about Bill C-133. The principle there was different. It involved the principle of breaking a contract between the Government and its public servants. This Bill has no contractual element. The principle here is social benefits in a just society. One does not have to qualify for OAS, other than having spent 65 years working, paying taxes and contributing to Canadian society.

What is the Government's priority in terms of deciding to cut back on social payments such as this? It is a test of the Government's strategy for hard times. What do Liberals opposite think when we can no longer afford, in their view, a certain level of expenditure? Who do they think should be cut first? Who gets cut next? Do they have any batting order? Has anyone in Government ever applied his or her mind to the priorities which should exist within a just society? Are they adopting ostrich-like tactics and putting their heads in the ground, just going from crisis to crisis? Should not we all at least know what are the guidelines for determining the priority so that they can be seen to be just and thus, although unpalatable, at least have a chance of some public support?

What are the defects in the Bill? In my opinion, the prime defect in this Bill is that it creates the impression, or reality, that the Government, thinking that it has to cut somewhere, picks the weakest members of society on which to bring down its axe. I am referring to those who cannot fight back or those who do not have alternative sources of income. We know that the Bill, by definition, affects those in the country who have the least available alternative means of support.

Some years ago the life insurance industry conducted a study. As I understand it, it determined that those people with the highest level of incomes had the best chance of living longer lives. In other words, all other things being equal, if one had a decent income in old age, one's chances of living longer were better. The Government is doing precisely the opposite by applying, in rough language, the boots to senior Canadians. Senior Canadians are not persuaded that they should be treated this way. They ask why the Government should use brute force on them. The Government has hardly even attempted to persuade the elderly that there is not enough food for everybody, so to speak, and therefore in the interests of the whole family it would make it hardest for those who are no longer able to work. In fact, that is the tradition of the Government on this issue. The obvious conclusion is that the Government has a new set of priorities.

In the last election campaign the Liberals said that they would increase the Income Supplement by \$35 per month. What will they say in the next election campaign when they will have to look voters in the eye? Will they say that they are the Government which decided that people receiving Old Age Security must be comfortably well-off, although everyone knows that is not the case, and therefore they cut from them?

[Translation]

I believe that just before an election, this Government is willing to do anything for the voters, including our senior citizens. However, in a somewhat difficult period such as the present one, those who are the first victims of a Government attack are the weakest economically, such as senior citizens. Is this a fair Government? I believe that it is the most cynical Government in the free world. This is a Government made up of the most callous people. What other Government in the free world is now doing the same thing to its senior citizens? There! I can hear no reply from Government Members.

• (1220)

[English]

I am not suggesting, Mr. Speaker, that there should not be cuts. There should be cuts for Mr. Ed Clark with his \$200,000 gift to go to Paris with his family for 18 months. Maybe there should be cuts in the \$1 million we have paid to the Prime Minister (Mr. Trudeau) over the past 10 years so that he can eat caviar and drink champagne and have his children supported, not a penny from his own pocket. Maybe we should make some cuts in the Prime Minister's perks. Maybe we should cut out such things as sending Janet Smith from the Privy Council Office to Paris and the Riviera to study French for I do not know how many months. That cost us about \$13,000. Are there not enough people from Quebec, from Ontario, or from the West who are capable of teaching Janet Smith French without having to send her to France?

In passing, the argument of the Government was that it would cost slightly more to send Miss Smith to a language school in Quebec in terms of cash outlay than to send her to the Riviera. That is the most obtuse piece of logic I think I have ever heard from the Government. Of course, that money is going out of the country. Of course, that affects French teachers in Quebec and it hurts the balance of payments of Canada. How can you speak to Government Members when they do not listen?

I would like to refer to a suggestion made by my colleague, the Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton). He suggested, quite properly, that if there are to be cuts, these cuts should be made from those in the working population who can bear a reduction better than the retired people. I believe he also suggested that perhaps we should make some cuts in the amount of money we are pouring into Canagrex or into other sacred cows. Maybe we should take the Auditor General's advice and get control of spending once again—