

inflation, barely make it through the month. Why should we, the Public Service pensioners, be denied what we have paid for.

Mr. Baker, I am sure that you will agree that those in the same situation as I am should get more consideration than the bailing out of Maislin Brothers Transport. In my opinion, their loyalty was always to the almighty dollar and not the Canadian public. I honestly believe that the Government has a moral and financial obligation to us the pensioners. Don't you agree?

The answer to that question is yes. I should like to refer to another letter respecting the difference between a pensioner and a serving public servant in terms of the six and five program. This correspondent wrote:

This would be an unjust default on the Government's obligation to index pensions at the cost of living. I have contributed to my military pension since its start in 1946 to my retirement in 1977. For the last five years I have been an employee of the RCMP . . . civilian member . . . and have again contributed to the indexing.

If the 6 per cent-5 per cent indexing is allowed, I feel that our pensions will be open to attack at any further date once the precedent is set.

Then he says what so many working public servants have said:

I am not against the 6 per cent-5 per cent formula for my salary, but because I have paid for indexing for many, many years it should not be altered.

That is what they have said. They do not like it, but that is what they said. For whatever reason, just on the grounds of ordinary, common decency, I say to the Minister that it would be best, if he thought about it for a few minutes and perhaps a little longer, to withdraw the Bill and consult. I do not know what would come out of that consultation, and neither does he. But he and Members of the House know that it would be the honourable thing to do. This is the only way that this legislation can be stopped.

I ask my friends in the Liberal Party, such as the Hon. Member for Gatineau (Mr. Cousineau) who represents a large number of public servants, and I ask Members of Parliament from all over the country, not to vote on Bill C-133 right now, today, but to remember the obligations that we have as Members of Parliament to the Public Service of Canada, just as every other Government has an obligation to its public servants who cannot take part in politics and cannot speak for themselves. We have an obligation to them to ask that this Bill be withdrawn, remembering as well that all of us, including public servants, have obligations to the country and those obligations can best be met through what was the thread of argument throughout the Public Service submissions to the Committee—consultation. Do not do it on an ad hoc basis—consult.

● (1140)

What happens if we do not consult? The House is going to be participating in a confiscatory measure that will confiscate money from one group of Canadians, joined soon by old age pensioners and joined now by those who receive the Family Allowance. It will in effect be an increase in taxation. This Bill will cause an increase in taxation based on the difference between what is to be a 6.5 per cent and a 5.5 per cent increase and whatever the inflation rate is. This year there will be an increase of 5 per cent in taxation for senior citizens and retired

Supplementary Retirement Benefits Act (No. 2)

Public Servants. That is what this Bill will do. That is why I ask my friends to consider what this Bill will do.

This Bill is dishonest. It is a dishonest piece of legislation because it is designed to capture a mood in the country to the detriment of a certain group of citizens. Public servants are not popular in the country. If one listened to the distortion that Bruce Phillips gave on CTV last night, one would know that he made the assumption—and assumptions are made all over—that all public servants have a \$50,000 a year pension. The fact is that the average public servant and widow is on a pension of \$6,900 or less. Public servants are an easy target and the Government has chosen an easy target. I do not know if that is politically right or not, but I know the Government is morally wrong.

The Government is moving with almost indecent haste with respect to this legislation, which is an indication of how wrong it is. As I said, it is a dishonest piece of legislation. However, if Hon. Members on the other side think the concern relates just to public servants, I indicated earlier that is not so. In the evidence which was presented before the committee by the private sector actuary, he said in terms of the morality of the administration of pension plans that the private sector looks to the public sector for leadership. This man, who is experienced in his field, said to me that many private sector people will say: "If they can get away with this, why not us?" I believe there will be a ripple effect from this legislation which perhaps the Government needs time to consider, apart from whatever political ripple effect there might be.

If any Member of Parliament believes that the interest and the sense of fairness has gone from the Canadian people and that this is purely a national capital issue, I want that Member of Parliament to know that that is not so. Let me quote from an editorial which appeared in the *Toronto Star* on December 27, 1982. Members on the other side have heard of that newspaper. This editorial reads:

Unlike Canada's working population, pensioners can't negotiate increases to their incomes to help them cope with rising prices. That's why indexed pensions are so valuable: They enable men and women on fixed incomes to keep the purchasing power they had when they retired.

That is what indexing does. It maintains the same purchasing power a person had when he or she retired. This editorial continues:

So it's decidedly unfair of Ottawa to expect pensioners to give up this measure of their security, as it is doing in two bills now before Parliament. The federal government proposes limiting the indexing of two types of pensions—the Old Age Security payment that goes to all Canadians age 65 and over as well as the retirement benefits of former civil servants—to 6 and 5 per cent in the next two years.

The writer then dealt with the effect this would have on senior citizens:

—when the restraint program comes off and full indexing is restored, it will be calculated in a lower base.

That is with respect to whether we are dealing with public servants or senior citizens. Make no mistake about it, these two years will be lost forever to that exposed category of senior citizens in this country, Mr. Speaker.