

Supplementary Retirement Benefits Act (No. 2)

total lack of control. This is what Canadians can expect from a Prime Minister who thinks that during Christmas they were skiing or in the Caribbean. That should give a few chuckles to seniors or the unemployed. The Prime Minister should not dismiss the Bishops' statements so quickly. He might learn that the grim realities faced at Christmas by the 1.5 million unemployed in this country did not include a Caribbean holiday.

The fast-rising deficit demonstrates how this Government is out of control. Due to the Government's lack of confidence in its own recovery program, it will seek security through the reallocation of \$100 million of Public Service pension money, which rightfully belongs to its contributors, to other uses, such as funding the estimated \$30 billion deficit that will be imposed on Canadians.

Furthermore, pension money which the federal Government is trying to raid from the employee pension fund is a paltry sum compared to the millions involved in the Petro-Canada takeovers which do not create one new job, the billions of dollars to Dome Petroleum and the \$34 million to an undeserving Maislin Transport, as well as the millions of dollars spent on bail-outs that will provide no long-term job opportunities to Canadians.

In closing, I ask the federal Government to demonstrate some faith in its own recovery program. Bill C-133 only contributes to an attitude of suspicion and mistrust.

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, we are debating Bill C-133, to amend the Supplementary Retirement Benefits Act. The Government is anxious to terminate debate on this Bill and thereby have pensioners pay for the Government's irresponsible handling of their pension account.

I support my colleague, the Member for Nepean-Carleton (Mr. Baker), in his claim that the Government's move to invoke closure is absolutely reprehensible. Not only is it reprehensible, it is also condemnable.

The Conservative Party has steadfastly supported Public Service pensioners in their fight to defeat a Bill which takes \$165 million away from pensioners, a segment which is often least able to defend its rights and protect its standard of living. The Conservative Party is well aware that public employees pay 7.5 per cent of their salary to support their pension plan. The private sector employee contributions seldom exceed 5 per cent and are frequently less.

Benefits paid from the plan to date have been more heavily financed by employees than by their employer. Of \$1,360 million paid out between October, 1981 and September, 1982, employees contributed \$735 million compared to the Government's \$625 million.

The Conservative Government of 1979-80 was able to trim \$500 million from the federal Budget without any income penalties to retired civil servants or senior citizens in general. Approximately \$445 million would be paid out of benefits this year, according to the Treasury Board, and \$420 million will come out of the Consolidated Revenue Fund, with only \$25 million covered by the contributions made by pensioners when they were employed. This is due to the fact that, while the plan

was only implemented in 1979, the benefits are extended to all retired public servants whether or not they contributed to the fund. As time goes on, the drain on the CRF will diminish and the Supplementary Retirement Benefits Account will pay a larger share of the benefits. The total cost of indexing the pension was approximately 4.5 per cent of the payroll from regular public servants last year. Pensions for the Armed Forces and some other groups are administered separately.

There is a paper figure of \$15.5 billion in the Public Service Superannuation Account. The present employees' contribution rate of 1 per cent of salary to the SRBA provides for only a 1.5 per cent inflation rate in the future, according to the Treasury Board.

An actuarial analysis claims that the total surplus of \$15.5 billion in the superannuation account is sufficient to meet future benefit payments and the accrued interest on this account, especially if it were invested at a high rate of interest, would be more than adequate to cover the cost of pension indexation. Records show that Public Service employees have contributed more to the pension plan than their employer. I suggest that Government-employer contributions to the PSSA and SRBA be investigated to determine if they have been adequate.

• (1115)

The Prime Minister (Mr. Trudeau) has previously committed the Government to full indexation of Public Service pensions as a right earned during working years. His Ministers previously defended the plan and argued that the Government could not break its contract with public employee pensioners by reducing indexation. I would suggest that the Liberal Government is working in reverse. There are other areas on which the Liberal Government should be focusing its sights. The Government should eliminate waste and mismanagement within the federal Government. By eliminating the waste and mismanagement which is in the billions of dollars, inflation will drop and indexing will look after itself. We will not have to worry about indexing once we get Government spending under control.

To give some examples of waste, we could start by considering the document I have in my hand, copies of which have been widely distributed across Canada. I also have in my hand a transcript of the Prime Minister's broadcast to the nation on the economy. There was absolutely no need for this document to be printed. No one is interested at all; it is just an absolute waste of money. In his broadcast, the Prime Minister said: "Of course I am concerned about waste, very concerned; where we find it, we will weed it out". Those were empty, meaningless words. The man does not mean what he says, and he never has since he took over the country in 1968. We heard these statements starting in 1968, and we are hearing them again in 1983. He does not mean what he is saying; if he did, he would not allow a document like this to be printed and distributed. It would just end up in the trash can.