

cost-push inflation and inflationary expectations, and at the same time to advocate measures to increase investment in the private and public sectors, when we know that investment is down dramatically because of the effects of recession on corporate balance sheets. Therefore, I find no inconsistency in that at all and support what Mr. Sinclair has indicated.

Mr. Murphy: Mr. Speaker, can I speak on the amendment?

Mr. Deputy Speaker: An Hon. Member is rising to put questions? I recognize the Hon. Member for Lethbridge-Foothills (Mr. Thacker).

Mr. Thacker: Mr. Speaker, I wonder if the Hon. Member opposite would agree that the retired federal civil servants paid an extra contribution into their pension fund, some 7.5 per cent, that the superannuation account has almost \$16 billion in it, and they should be allowed to use that up before having to take a cut like the rest of us? Second, who or what caused the original inflation? Would the Hon. Member agree that it was really the federal Government deficit, rather than the ordinary civil servant working faithfully at his desk?

Mr. Lang: Mr. Speaker, I have already answered the Hon. Member's question in my speech when I indicated that 90 per cent of the funds which go to pay for Public Service pensioners' indexation is coming out of the Consolidated Revenue Fund, originally from the taxpayer.

With respect to the Hon. Member's second question as to who caused inflation, I find it a little difficult to even start to answer that question, knowing that I have one minute. If the House would like to give unanimous consent to me taking 15 minutes, I would be happy to answer it.

I think it is safe to say we all had a part in creating the inflationary environment in which we find ourselves. There were not only domestic causes but also very dramatic international causes. Probably the major cause, Mr. Speaker, was the 1,500 per cent increase in the last ten years in the price of oil, which led to a 1,500 per cent increase, basically across the board, in the cost of the energy which fuels our economy.

• (1730)

Mr. Deputy Speaker: One last question, the Hon. Member for Halifax West (Mr. Crosby).

Mr. Crosby: Mr. Speaker, the Hon. Member for Ottawa Centre (Mr. Evans) made it very clear in his presentation a short time ago that he justified the application of the six and five program to retired public servants on the grounds that taxpayers' dollars were involved. To paraphrase, he said that because taxpayers' dollars are involved, the Government has an obligation to impose this program of restraint. We have heard the Hon. Member for Victoria (Mr. McKinnon) and others analyse the funding of the Public Service Superannuation Plan, the fact that there is \$14 billion in the various funds, and the fact that contributions greatly exceed the amount being paid out in Public Service pensions.

I would like to ask the Hon. Member for Kitchener (Mr. Lang) if he believes that taxpayers' funds are being used to

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pay these benefits and that is the justification for application of this six and five program and the provisions of Bill C-133, or does he agree with me that there are no taxpayers' funds involved?

Mr. Lang: Mr. Speaker, I just answered this in my answer to his colleague's previous question. But, yes, 90 per cent of the funding which goes toward indexation of Public Service pensions comes from the taxpayer. The Hon. Member refers to \$14 billion; it is actually \$15.3 billion. That money is there to pay for the basic pension plan as well as 10 per cent of the—

Mr. Deputy Speaker: Order. The ten minute period of question and answer having expired, the Chair now recognizes the Hon. Member for Churchill (Mr. Murphy).

Mr. Rod Murphy (Churchill): Mr. Speaker, I wish to speak on the amendment to Bill C-133 which would prevent the passage of this Bill for six months, and also speak on the Bill itself. Before that, however, I would like to respond to a remark made by one of the Conservative Members who spoke earlier this afternoon when he said the NDP had a new-found interest in pensions.

There is not one person in this House, Mr. Speaker, who would deny the fact that our colleague, the Hon. Member for Winnipeg North Centre (Mr. Knowles), has been the spokesman for people who receive pensions throughout this country, whether they be men, women, veterans or any other Canadian.

Some Hon. Members: Hear, hear!

Mr. Murphy: Our record on pensions is consistent and stands by itself. I think some people should really research the record before they speak in this House.

When we look at this Bill before us, Mr. Speaker, we find there many objectionable features. One of the concerns we have is that the Government is breaking a trust. The President of the Treasury Board (Mr. Gray) said earlier today, there is nothing in writing. There is no written contract between the Government and the pensioners, the Public Service unions or the association representing the superannuants. That is what the Minister said. That was the Minister's justification for doing what he is doing. But there is much more to keeping your word than having a written contract. As has been referred to in a number of briefs which came before the Committee studying this legislation, there is such a thing as a gentleman's agreement and the Government giving its word to its employees and pensioners. This Government, and the one which preceded it under the Right Hon. L. B. Pearson, promised that no changes would take place in the Public Service pension without consultation. The Government did not say, "Without consultation; however, if it is a budget we will not talk to you." They did not say that. Prime Minister Pearson and Presidents of the Treasury Board—for the most part Liberal Cabinet Ministers—said, "This is your pension plan". The Government put out a pamphlet saying that there would be no changes without consultation. And this Bill breaks that trust.