

Supplementary Retirement Benefits Act (No. 2)

the exact amount was \$12.705 billion. If that figure is correct, and I have no reason to doubt it, what rate of interest have they been getting? It is the duty of the Government to get the highest possible rate of interest on these funds. If it was only 4 per cent, then that is over \$480 million added per year. If it was 6 per cent, it would net over \$700 million a year. If it was 8 per cent, it would be about \$1 billion a year.

• (1530)

During the last two or three years, Mr. Speaker, the Government could have placed this money in short-term contracts which earned up to 13 per cent, 14 per cent, 15 per cent or 16 per cent. They could have had a tremendous amount of money in this fund. I think the superannuates particularly are entitled to this information. Members of Parliament are entitled to this information but we are not getting it. If we do not get it very soon, I think this should be a special item for the Auditor General to look at. Let us find out what is going on with this money, who is responsible for the administration of the money, and what they are doing with it. Are they getting proper interest rates? Is the Government using this money for some other purpose? I want to know. If the Government is not, all it has to do is open up the books. There should be no reason the books are not open in that regard. If we do not get this information very soon, all I can say is that the Government must be trying to hide something. If not, the Government should provide this information to the House before debate on this Bill comes to a conclusion.

Let me now deal with some of the comments made by some Hon. Members on the other side of the House. I mentioned a few moments ago that most of what they had to say was rationalization. The exception was one Member who said he was not supporting the Bill, that he was going to do what his constituents told him. I admire him for that but I will admire him a lot more if he stands up when the vote is called and votes against it. That will be the proof of the pudding. I have no reason to believe he will not, but I have heard Liberal Members talking against Bills before and then stand up and support them. I have heard Liberal Members in debate make very terrible comments about some legislation and then stand up and support it. I would like to see what exactly they are going to do on this particular Bill, because it is not good enough to rationalize.

This Bill will affect the lives of men and women and their families—because some of them still have families and relatives to support. There was a contract with the civil servants that when they retired they would get their extra money from indexation. In other words, it is more than just a contract, it is actually a deferred payment. The money is put into a fund and there are people who are supposed to make sure that that money is going to be there when these people retire. Yet here we have the Government by legislation dipping into those funds, money it does not own, and that simply should not be tolerated by any member of this House.

What did the President of the Treasury Board (Mr. Gray) say about this? Any reduction of full indexation is an outright breach of faith with those already retired. That is what it is, Mr. Speaker. It is their superannuation plan—that is what the

Minister called it—and consequently any reduction in full indexation is an outright breach of faith. Surely this Government does not want to be forever labelled as one which breaks its word to those people after they have retired, having contributed for many years.

When the superannuation plan was introduced, the Government said it would be non-negotiable, Mr. Speaker. “We will put it into law”, the Government said. So this Act was set up and that satisfied people because it was on the law books of the country. No Government is going to change that. Then the Government went on to say that no changes would be made without consultation. To date there has been no attempt at consultation. The superannuates have not even been called in to discuss the matter. Any meetings held have been called by the pensioners themselves, in order to bring this matter to the attention of the public. The Government has not consulted with them, and this is becoming all too common. The Minister of the Environment (Mr. Roberts) puts a complex in the middle of a park without consulting the people involved. That is not democracy; that is not the kind of Government we want in this country.

The former President of the Treasury Board, who is now Minister of State for Economic Development (Mr. Johnston), and the Government of the day on numerous occasions proclaimed indexation of pensions to the CPI as a minimum benefit. These guarantees were clear, straightforward and unconditional. Pensioners contributed to the plan and many took early retirement based on the Government's promise of full indexation. How can the Government alter the agreement under which these workers retired after they have retired?

If there has to be some change, give the pensioners who are now contributing a choice as to whether they want to contribute; do not tell them they have to, as these former public servants had to. Interfering with their pensions after they have retired is a disgraceful thing for any employer to do.

The Government says that the public service superannuation account stands at \$15 billion, Mr. Speaker.

Mr. Baker (Nepean-Carleton): More like \$17 billion.

Mr. Taylor: It earns interest at the rate of 10 per cent annually, or \$1.5 billion. Let us look at that for a moment. How much is it costing to do this? The fund should have been built up considerably because payments out were a maximum of \$470.6 million, and the interest received would have been \$1.5 billion. This whole thing needs to be pretty carefully looked at by the Auditor General, Mr. Speaker, or perhaps by the Public Accounts Committee. The difficulty with the Public Accounts Committee is that it is after the fact, a year too late. We do not want indexation to come after the fact. We do not want the indexation reduction to take place at all. Retired civil servants, retired RCMP and retired Army personnel were given a promise and we do not want to see that promise breached. We do not want these people to be double-crossed. We do not want this thing to go into effect at all. Some Hon.