

increase in the personal allowance under the Income Tax Act. With this, the Government gave a solemn promise to take care of the taxpayers of Canada and save them from the ravages of inflation. At that time inflation was only 6 or 7 per cent. In 1981 it was 12.8 per cent and last year it was somewhat less. The obligation remains, however. The Government could certainly find the few millions that would be saved by these methods in some other way. Some departments are moving to bigger and better and more prestigious buildings deemed better suited to the dignity of a local regional director, notwithstanding the fact that leases already exist on other buildings. Such cases can be documented.

I see that you are quite anxious that I conclude my remarks, Mr. Speaker, and my time is up. I will vote in favour of the amendment of the Hon. Member for Ottawa-Vanier (Mr. Gauthier) and I will vote against the Bill.

● (1510)

**Mr. Rod Murphy (Churchill):** Mr. Speaker, I wish to speak on the amendment of the Hon. Member for Ottawa-Vanier (Mr. Gauthier). The New Democratic Party caucus will vote for the amendment, but of course we will vote against the Bill. We will vote for the amendment because it basically indicates that the Bill will not continue after its term. In itself that sounds rather obscure, but I should like to refer to what we have learned during the couple of months of debate in Committee and in the House.

We have learned that the Government cannot be trusted. We have learned that Ministers of the Crown promised that the pensions of retired Government workers would not be affected, touched or altered without consultation. We were told this by pensioners, by unions representing present Government workers and by the association which represents retired Government workers. We have learned that the Government broke its word. No matter what we do with regard to the amendment before us at this time, I have the feeling that if the Government feels like breaking its word in the future, it will do so again.

When the Government wanted something from its employees in the past, it went to them and said: "Please do not negotiate pensions; it would create a bit of an administrative headache for us because there are a number of unions involved". The Government gave its word to the various unions and its employees, including Armed Forces and RCMP personnel, that those plans would be protected and that the only way they would be touched would be if the Government consulted with them. That did not happen. To my way of thinking, if we pass this amendment today and the Bill later this week, retired and present Government workers will still not have any protection; the Government will still be in a position to change its mind if it thinks it has a reason to do so in the future.

We have learned through leaked Government documents that the whole six and five program was a public relations effort. It was recognized that it would do nothing for the economy. Also it was recognized by certain Liberals in Cabinet and certain Liberal Senators that it would have a public

relations value for the Government by making it look like the Government was doing something about inflation, but if two or three years down the road the Government decides again—whether it is Liberal, Conservative or any other Government—to break its word with its employees, it could do so.

To support my contention, I refer to the first six and five legislation, Bill C-124, supported by the Conservative Party and by the majority of the Liberal Party in the House. In that Bill the Government not only broke a gentlemen's agreement, which is what it referred to when it talked about pensions, but it broke contracts and collective agreements that it had signed with hundreds of thousands of Canadians. It broke agreements which the Government itself had negotiated and signed. Not only does the Government break gentlemen's agreements, but it breaks signed, collective ones. There is no reason to believe that the Government would not also break laws passed by Parliament. While we support the amendment, we are very cynical about whether or not the Government would obey the amendment if indeed it were passed by the House.

We learned a lot in Committee as we studied the Bill. We wish that closure or time allocation had not been invoked by the Liberal majority in the House. If more Canadians found out the real effect of this Bill, I believe there would be an outcry which would result in not just another Liberal deciding to vote against the Bill in addition to the three Liberals who earlier indicated their opposition to it, but in a number of Government backbenchers, not only from Ottawa and Hull but from Cape Breton, Sydney, Halifax and various ridings in New Brunswick, Ontario and Quebec, and perhaps the two who were elected from western Canada, doing so.

In Committee we discovered that we were not hurting people with pensions of \$20,000, \$30,000 or \$40,000 per year; we are hurting pensioners who receive on the average pensions of \$8,000 per year from the Government and the surviving spouses of deceased Government workers who have average pensions of \$3,100 per year. These are the people who are being affected by the Bill. Also we found out that the vast majority of people are at the bottom end of the pension fund and that those people will be hurt by this legislation. We discovered that there were over \$15 billion in accounts attributable to the pension plans of Government. So there is money available.

Also we found out that the Government has benefited from these plans in the past because it did not have to go out on the bond market and borrow at prevailing rates. In effect, it is stealing blind the money of present and retired Government workers. The Government of Canada has saved money on pension plans in the past because it has not had to borrow at commercial rates. Now these people are suffering doubly because they cannot even get the money in the plan.

The former President of the Treasury Board, the Minister of State for Economic Development (Mr. Johnston), composed a song. He plays it on his piano, and with the good graces of Senator Keith Davey and certain unknown Liberal friends, a record is being distributed which praises six and five across the