

excess of 3 per cent for many years, as the Hon. Member knows. Every projection I have seen for the next decade indicates that we can expect something at least in that range, if not higher. When a Government brings in a Budget which says it is going to deindex OAS, we assume that that is what it is going to do. We do not assume it is going to do that for just the next three months or even 12 months. If the Government says it is going to do that, we can only assume that that is what is going to happen over the next number of years.

The point I want to make, just to clarify for the Hon. Member, if that is what he wishes, assuming that the rate of inflation does not go under 3 per cent, and assuming that the Government does not change its policy, which I hope it does—my colleagues and I are going to do everything possible to make sure that policy is changed—then it will cost every senior citizen over the next five years an extra \$1,447. That is what it will do unless the Hon. Member and his colleagues change their minds. I hope they do change their minds.

Mr. Taylor: You are saying “if”.

Mr. Riis: Of course, I am saying “if” they don’t change their minds—

The Acting Speaker (Mr. Charest): Order. The period for questions and comments is now over. Resuming debate.

[*Translation*]

Mr. Leo Duguay (St. Boniface): Mr. Speaker, I welcome this opportunity to speak to the motion before the House today. Further to comments made by the Hon. Member for Bow River (Mr. Taylor), I would like to talk about some of the positive aspects, since fear has been the watchword this afternoon.

Mr. Speaker, the Budget measures proposed by the Minister of Finance (Mr. Wilson) respect the universality of Old Age Security pensions. That is positive. Benefits to pensioners who are in need will continue to be fully indexed to the cost of living. That is positive. The Guaranteed Income Supplement, in addition to veterans’ benefits, will be fully indexed to the rate of inflation. We must also remember that the universal Old Age Security pension will be partially indexed.

Let us be positive, Mr. Speaker, This afternoon, I had two reasons to be particularly pleased when I heard the Minister of National Health and Welfare (Mr. Epp) give the House the assurance that the Government would be studying closely the situation of elderly Canadians who are largely dependent on the government pension plan, to ensure that benefits paid to pensioners are adequate and will be increased if resources permit. That is positive. I think the Opposition could at least have noticed some of the positive aspects they heard about this afternoon. This decision will make it possible for the elderly to maintain a standard of living where they will have both quality of life and security, something they had yet to experience.

Supply

The Government is also to be congratulated on following up the recommendations of the Special Parliamentary Committee on the Disabled and the Handicapped. That is positive and should be mentioned when we are talking to Canada’s senior citizens. In fact, some 185,000 disabled will benefit from changes in the definition of disability for income tax purposes. A new definition has been developed in order to respond more satisfactorily to the special needs of all Canadians with serious handicaps.

Mr. Speaker, there is more. The Government is also to be congratulated on the proposals tabled by the Minister of Finance to amend the Pension Benefits Standards Act, which are aimed at improving the minimum standards for private pension plans regulated by the Act.

The proposed changes will make it possible for a greater number of employees to join pension plans and will give them the right to participate in the administration of pension funds. From now on, employees will get pension entitlement after two years of participation in a pension plan and will retain their pension entitlements when they move to new jobs. That is something concrete. Moreover, the new standards will require that pension plans provide benefits to surviving spouses of pensioners and, in case of marriage breakdowns, the value of pension entitlements will be split equally. Finally, pensions plans will be required to provide equal pensions to women and men retiring under the same circumstances.

When we add to this reform the improved tax incentives for retirement savings through higher deduction limits, we can rightfully say that these changes will further encourage Canadians to provide for their retirement years and set up for themselves adequate pension funds.

The PC government has also confirmed its commitment to a reform of the Canada Pensions Plan, including provisions for homemakers’ pensions.

[*English*]

I am pleased to have the opportunity to respond to this motion put forward by the Hon. Member for Beaches (Mr. Young). The motion speaks of commitments made during the election campaign, and I welcome the opportunity to describe exactly what we said then and what we have now done. We are committed to offering senior citizens the means to preserve their independence, their privacy and their freedom. These were the terms set out by our leader, the now Prime Minister (Mr. Mulroney), on July 26, 1984, in a Progressive Conservative Party program to reform public and private pension plans.

• (1720)

I would like to draw to the attention of Members of this House the over-all objectives: independence, privacy and freedom. It is even more important to note that when we made policy initiatives and announced them this summer during the campaign, we emphasized that the new Government was going to take office at a time when interest rates were high and the recovery was fragile. In that context, policy commitments were