

*Supplementary Retirement Benefits Act (No. 2)*

corrected, but that is so. And the widow of a retired RCMP officer who today is getting something from the work of her husband, will get less when this Bill is passed. Let us not kid ourselves. The pensioners themselves, the civil servants who are now retired, the superannuates, will receive less, not more. They will lose, they will not gain, when this Bill is passed. Again, let us not try to kid the troops because the people will know when they get their cheques.

The Hon. Members of the New Democratic Party have mentioned a number of times that if this vote had been delayed for another 30 minutes, the cheques would have gone out. But the Government, at least from information received from the civil service, would have had up to two more days, and the debate had to end tomorrow night under the closure rules. They would have had two more days and still get the cheques out. That is what the civil service tell me, and they probably know more about it than the Hon. Members of this House. But accepting the statement of the NDP, if that were so, then what would happen the following month? There would be an over-payment and the pensioners would have to pay it back. I can appreciate how pensioners today would feel if they received an over-payment and had to pay back something, because when they get the money, they have some place to spend it; then the money is gone. The following month they would suddenly receive a letter saying they have to pay so much back. We do no good to a pensioner or a superannuate by putting him or her in that position. I believe, therefore, we had better think pretty carefully about what we say there.

The Hon. Member for Kamloops-Shuswap (Mr. Riis), a few moments ago, mentioned in a very nice way that we broke a contract when we voted for Bill C-124.

**An Hon. Member:** Yes, you did.

**Mr. Taylor:** I hear an Hon. Member saying, "Yes, you did". But, Mr. Speaker, everyone under Bill C-124 was receiving wages of some kind. Every one of us was on wages. When you hire a civil servant, do you break a contract if you give him an increase? Of course, you do not. If we had refused Bill C-124, we were not breaking a contract. We took a big raise a few months ago, and there is only a portion of it being given back now. So that is not breaking a contract. When you make a contract with the civil servants, then you give that contract credibility by putting it into legislation, and then you break it, you are breaking a contract. To compare that with Bill C-124 is completely nonsense. Bill C-124 had nothing to do with old age pensions or superannuates. It had nothing to do with children. We voted for it here because we were on wages and we took too big a raise in the first place. To give some of it back is only logical and sensible.

The people hurting today are those who do not have jobs, and those on fixed incomes; they are the people we are talking about. This Bill is going to hurt those people on fixed incomes badly. The amendment will soften the blow. In two years time that will be the end of it. But it will not change the principle that they are losing part of their indexing during the period in which that indexing is in effect. If the Government side refuses to support this amendment, it will show it is going to continue

this, and whenever they want they have another sword to be used against the pensioner, another blow against the pensioner.

Mr. Speaker is indicating my time has expired, but I have barely started. However, I want to say that this is an abominable Bill, the Progressive Conservative Party is opposing it and we have opposed it from the beginning, in spite of what the NDP have said.

**Mr. Cyril Keeper (Winnipeg-St. James):** Madam Speaker, I am happy to have the opportunity to participate in this debate because it is a very important matter which touches on such important principles. I must start out by pointing out that we will be supporting the amendment that is before the House now. This amendment will assure Canadians that this Bill will in fact terminate at the end of 1984. It is surprising that the Government did not provide for that themselves in the legislation. The amendment is a good amendment, but what we want is not so much for this legislation to terminate at the end of a period of two years, but rather to have the Bill terminate right now. The Bill should be withdrawn rather than left in place for a couple of years.

The Government, of course, did amend this legislation which we are now dealing with so that the limiting of indexation would be at 6½ per cent rather than 6 per cent. That one-half per cent solution certainly was not a real solution, and it makes one wonder why the Government would take such a mini step, such a half-step. Quite frankly, I believe everyone is aware, at least everyone who reads the newspapers these days, that the reason the Government chose to change the indexation, the limit of the indexation of Public Service pensions to 6½ per cent is that they were threatened with a split in their own caucus. They had some very good political reasons for wanting to amend this Bill, but rather than accepting the real reason for the potential splitting up of the caucus, withdrawing the legislation and changing course, they put a bandaid on the situation and said, okay, we will take a half measure in order to give some of our backbenchers an opportunity to vote for this legislation.

● (1730)

Well, the legislation, Mr. Speaker, is still wrong. It is both morally and economically wrong. This legislation is of course the application of the Government's so-called anti-inflation six and five program to Public Service pensioners. Why did the Government pick on the pensions of public servants? Well, I suspect it is probably because Gallup and other public opinion polls are indicating that labour and labour leaders are pretty unpopular with the general public. That makes them an easy target for the Government. It is a politically easy thing to attack public servants these days because the general public do not have a great deal of sympathy for civil servants, at this time. So it is a political move.

The six and five program is the key to the Government's economic policies. The theory is that by limiting indexation of pensions and Family Allowances, that will contribute to the fight against inflation. There is very little evidence, Mr.