

principle of full indexation, while at the same time aiding in the achievement of the Government's anti-inflationary objectives.

I would like to end this short speech by referring to a rather unusual coincidence of numbers. I said at the beginning that this issue raised a serious question in my mind. Some Hon. Members will recall that Section 133 of the Constitution Act also raised serious concerns, which I had to deal with. The constitutional number was also 133. For those who did not see or did not notice, we opposed vote 133 on the Bill that became the Constitution of this country. Bill C-133, as you can well imagine and appreciate, also gives me great difficulty. So 133 is not my better number!

**Mr. Simon de Jong (Regina East):** Mr. Speaker, before proceeding with my remarks I wish to comment on the courageousness of the Member for Ottawa-Vanier (Mr. Gauthier) in the remarks he has delivered to us this afternoon. I think Members of all political Parties will agree with me that the difficult stand that he took will be appreciated by all Members in the House.

Like him, it is with a great deal of sadness that I also join in the debate on Bill C-133 because this Bill, like Bill C-131, C-132, and Bill C-124 that was debated last spring, constitutes a backward step. They take away from ordinary working people, from mothers and from pensioners, certain basic protections and basic rights.

These basic rights and basic protections were not easily won. It took many years of pressuring reluctant Liberal and Conservative Governments for public servants to be able to bargain collectively for their wages. The protection of pensions from inflation was also a victory which took many years to accomplish. Bill C-124, Bill C-131, Bill C-132 and now this Bill that we are debating today, Bill C-133, are attacks on those hard-earned rights. They are backward steps.

Bill C-133, an Act to amend the Supplementary Retirement Benefits Act, sets out to limit the amount by which the pensions of retired civil servants, military and RCMP personnel will be increased over the next two years. For example, next year the pensions will only increase by 6 per cent rather than the 11.5 per cent called for under the present pension formula. It is estimated that over \$100 million will be taken from the pensioners in 1983 and 1984.

● (1630)

I know that Government speakers have contested the figures as to how much mothers, pensioners and workers will lose under the six and five program. The truth is that no one can accurately state how much these people will lose; it all depends upon the inflation rate for 1983 or 1984. Who knows what that is to be? The Government has consistently been wrong in its economic forecasts during the last three budgets. We are living in a period of economic anarchy. For the Government to claim that it is able to forecast the inflation rate for the next two years is, to put it mildly, dishonest.

### *Supplementary Retirement Benefits Act (No. 2)*

The essential point with this Bill, however, is that it reduces the protection retired public servants now enjoy. It will make them more vulnerable to the economic shifts and changes of our times. What makes Bill C-133 even more repugnant is that the protection it takes away was protection that public servants paid for.

Public servants contribute 6.5 per cent of their wages for pension purposes, plus an extra 1 per cent to the supplementary retirement benefits account, an account to pay for indexing and to protect the purchasing power of their pensions. Bill C-133 is robbery. It breaks agreements, it is a double-cross and it is unforgivable.

The Government justifies removing this protection under the guise of fighting inflation. It claims that 120,000 or more retired public servants who receive an average \$6,900 per year, a little over \$500 a month, must reduce their standard of living in order to wrestle inflation to the ground. How cynical the Government is to claim that, in order to fight inflation, the people who have the most to lose from inflation must give up what little protection they have against it. This is a cynical Government indeed.

Does the Government really believe that the money it will save by reducing the indexing of pensions and mothers' allowances will bring inflation down by a fraction of a point? Does it really believe that restricting Public Service wages will make a dint in the inflation rate? I doubt that even one Liberal Member seriously believes that.

The Government needed someone to blame for the economic mess we have today, so it commissioned Mr. Goldfarb to do a study. I imagine Mr. Goldfarb told them that as far as the public was concerned, an attack on public servants and their pensions would be acceptable, that it would create the image that the Government was doing something about inflation. I am certain that Government Members do not seriously believe that inflation will be stopped by the actions of Bills C-131, 132, 133 and 124.

The Government has elected workers, mothers and pensioners to share the blame for inflation. The burden of pain in the fight against inflation is being laid on those who are the least to blame. What is happening is that the victims are being blamed.

The Conservatives have gone along with this. Despite the protestations of Members like the Hon. Member for Bow River (Mr. Taylor), they supported Bill C-124 earlier. That clearly indicates that they have bought the basic Government argument that Canadian workers are to blame for inflation. According to a report in *The Globe and Mail* of November 22, 1982, a survey of world labour costs by the Citibank of New York stated as follows:

In addition, the commonly expressed view that wage demands by Canadian workers are inordinately high is more myth than reality, the study finds.

It shows that Canadian industry on the whole is competitive and that, for the past decade, the work force has been a model of restraint. With the single exception of the United States, there is no industrial economy where wage rises have been less or where the growth in hourly manufacturing costs has been lower.