

Supplementary Retirement Benefits Act (No. 2)

country like Holland handle its crisis? There is an interesting comparison here. Let me read a brief article from *The Globe and Mail* dated November 23, 1982.

Mr. Deputy Speaker: Order, please. I regret to interrupt the Hon. Member but the time allotted to him has expired. He may continue with unanimous consent of the House. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: There appears to be unanimous consent.

Mr. Hopkins: Thank you, Mr. Speaker. The article is headlined "The Hague" and reads:

The new Dutch Government formally announced tough spending cuts and a public sector wage freeze. The centre-right Government said it was aiming to reduce the official spending deficit and from a projected 11.9 per cent of national income next year to 7.4 per cent by 1986. To do this, it will push ahead with plans for about \$5.64 billion in cuts next year, including a freeze on public sector wages and social security programs.

This is why I support the six and five program. Mr. Speaker, can you imagine what would happen in this country or in this House if there were a complete freeze? Last summer when the six and five program was introduced, all Members of Parliament accepted a 5 per cent pay cut and media stopped talking about it immediately thereafter. Then we went on the six and five program. This was done to set an example for others to accept only six and five in their pay. As far as the Simon Reismans of the world are concerned, I could vote early and often for this Bill, but I have a major concern for average and low-income pensioners who are lumped together with all others.

Let me cite some humanitarian examples of how the Bill will affect them. For example, I know of several cases where Armed Forces personnel retired several years ago and passed on much earlier than their life expectancy. When the husband dies the wife receives one half his pension. We know for those who retired from the Armed Forces eight, ten or more years ago, that the pension of a private, corporal or sergeant major was not very big. Even though his pension had been indexed over the years, the fact that the wife receives only half his pension following his death simply means she could well be cut back to the amount of pension income her husband received when he first retired. She may be 60 to 64 years of age or younger and, therefore, does not qualify for old age pension or for the Guaranteed Income Supplement. There are many cases where others, for example couples, are trying to get along on one pension and because of the economic downturn cannot find employment.

Throughout the hearings of the Standing Committee on Miscellaneous Estimates, we constantly heard remarks about renegeing on an agreement and not keeping faith with pensioners who have paid into a pension fund during the course of their lives. On the other hand, Treasury Board continues to indicate that there is no agreement, that there is no contract, and that such charges are not accurate.

• (1140)

The two conflicting parties in this kind of dispute will continue to debate that issue, but my difficulty with this Bill is simply the fact that pensioners from the public sector, some Crown corporations, Canadian Armed Forces and the RCMP perceived, if not understood, that there was a commitment. They retired with the expectation that they would, in fact, receive full indexation on the basis that they had contributed to the Supplementary Pension Fund. Treasury Board has become very concerned because the Supplementary Plan does not carry full indexing and they have to pay a large amount out of the Consolidated Revenue Fund of Canada to make up the difference. Based on the figures that they have provided, this is the case. But my major concern about all this is that this problem has been well known for a long time and no reform measures have been concluded to correct it.

The Hon. Robert Andras, who was a very fine Minister in the House, made a very sincere attempt to do so when he was President of the Treasury Board and introduced Bill C-12 on March 23, 1979. That Bill was a result of many meetings of the Standing Committee on Miscellaneous Estimates and there was virtual agreement by all three Parties in the House. If this Bill had been passed, we would not be discussing Bill C-133 today nor would it have seen the light of day. However, Parliament was dissolved shortly thereafter and the Bill died with no chance of consideration. The Progressive Conservatives came into power after the ensuing election and they did nothing more about it. In fact, what we heard about most was the plan to lay off 60,000 civil servants.

Nothing further has been concluded since the election of the present Government in 1980, and I therefore do not feel that retired public servants, some retired Crown employees, retired members of the Armed Forces and the RCMP should lose out simply because successive Governments have failed to act on pension reform.

That is past history, unfortunately. I would urge the Government to proceed immediately to correct this situation so it will not arise again. There is no way that matters of this nature should be thrown into the public arena where bad relations with employees can be created.

The misconception is always thrown around in the media and among the public to the effect that all such pensioners are wealthy. There is a large percentage, about 68 per cent, of retirees of 70 years of age or more who receive less than \$7,000 per year, and this is what bothers me tremendously about this Bill. There is a large number of these people in my constituency up and down the Ottawa Valley. I know many of them personally and I am aware of their situation. The major part of this group is here in the Ottawa Valley; the remainder are scattered across the country.

Mr. McKinnon: Mr. Speaker, I rise on a point of order. I hate to rise on this unusual point of order but we did give unanimous consent to the Hon. Member, we thought, to conclude his speech, not to go on to read the distorted and