

Supplementary Retirement Benefits Act (No. 2)

the Minister responsible for the status of women have again and again made speeches about how pensioners, women in particular, in large numbers if not a majority, are actually living in poverty. Yet these are precisely the people who as a result of this Bill will have their standard of living lowered even further.

• (1250)

These proposals, Mr. Speaker, these Bills, when passed, will have an adverse and immediate effect, of course, on all the people who are directly affected. But to the extent they reduce the real standard of living of the people I mentioned, the old age pensioners, retired civil servants, Family Allowance recipients, to the extent these programs are implemented, they reduce the purchasing power of millions of Canadians. How stupid can we be? Canadian factories are now working at less than 70 per cent capacity. According to official statistics, we now have over a million and a half people unemployed, if one adds the discouraged people who are not looking for work, and I do not really know what good it would do for somebody unemployed in Sudbury, Ontario, Thompson, Manitoba, Kamloops, British Columbia, or the Gaspé region of Quebec to look for work when there are no jobs available, and to the extent that we reduce the purchasing power of Canadians we guarantee more and more unemployment.

There is not an economic research institution in this country which does not say that unemployment in 1983 is going to be even higher than it was in 1982, whether that institution is to the left of centre like the Canadian policy alternatives, or the C.D. Howe Institute or the Conference Board. I except from the list the Fraser Institute, of course, for obvious reasons. And I am sure that if the Government would permit the people of Canada to know what studies have been done in the Finance Department, the Employment Department or by the Bank of Canada, they would see the estimates on unemployment made by the organizations I have already mentioned confirmed. So what the Government is guaranteeing, Mr. Speaker, is that we will have even more unemployment in 1983, more misery than we have had up to now.

It is typical of Liberal thinking and of the Liberal idea of a "just society" that at the same time as they are asking those in the lower income brackets, the poor and the people in the lower middle class to make the kind of sacrifices which are involved in this kind of legislation, they are increasing the tax concessions and the "goodies" which have always been given to those in the upper income brackets by Liberal and Conservative Governments. There was the spectacle in the last Budget proposed by the former Minister of Finance when he reduced the tax rate for those in the upper income bracket from about 60 per cent to 50 per cent. That example was followed by the present Minister of Finance (Mr. Lalonde). What did he do? In his last Budget he extended a series of tax loopholes which will benefit only the rich and the professionals, less tax on investors' stock profits, rejection of any limit on investment interest expense and deduction, rejection of the need to tighten rules on capital gains and corporate reorganization, and the maintenance of a loophole which enables professionals to defer the taxability of large chunks of their already sizeable

incomes. That is the kind of idea about justice which we have come to expect from Liberal Government—"Stick it to the poor and give more to the rich".

We in the New Democratic Party oppose the six and five program and have done so from the beginning. We pointed out that it would not work, would not really bring down inflation and that it would mean more unemployment. We were alone at that time, but since then we have been joined by many other groups. I am not going to put on the record in any detail the criticism made of Government policies by the Roman Catholic Bishops, but they have said far more eloquently than I can that this kind of thinking, and the kinds of programs the Government has adopted, will hurt the people who need help the most. They have been joined now by that arch-defender of the free enterprise system, Mr. Sinclair, the head of the CPR, a supporter of six and five, who has pointed out that what we need now is not more restraint but a program to put people back to work.

We oppose this Bill, Mr. Speaker. We are going to vote against it as we have from the beginning, unlike our Conservative friends who, having voted for the six and five, are now going to play it both ends against the middle by opposing these Bills, which are a logical extension of what was proposed in the six and five program which they supported.

Mr. Al MacBain (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the debate on Bill C-133, which we have been considering this week, and which the Miscellaneous Estimates Committee studied at length prior to the Christmas recess, has highlighted the importance which Members of all Parties place on retirement benefits. The debate also has brought out the security which retired members of the Public Service, the Armed Forces, the Royal Canadian Mounted Police and others, have felt towards the nature of the retirement benefits which they receive.

We have heard much about the relatively low level of benefits now received by these people, and from messages sent to me by my constituents and others, I share the concern that this is the case. Contrary to claims made over the years by certain groups who have depicted retired public servants as citizens living high at the expense of everyone else, the average pension being paid to retired public servants and their survivors, taking into account all of the post-retirement indexing adjustments, is not at a very high level at all. As indicated by a number of Hon. Members, the average pension was \$6,900 in December, 1982. The question, therefore, is how much that \$6,900 will increase in 1983. I am certain most of the recipients are pleased to know that as of the end of this month, January, 1983, the rate will increase.

As I said earlier, much has been made in recent years by some critics of the Public Service pension arrangements claiming undue generosity, which is certainly not the case, but very little has been said about the amount of contributions which retired public servants have paid. There are few pension plans in the country which require an employee to pay 7½ per cent of his wages towards his retirement pension. Most have