

HOUSE OF COMMONS

Thursday, February 3, 1983

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[Translation]

OLD AGE SECURITY ACT (NO. 2)

MEASURE TO AMEND

Hon. Monique Bégin (Minister of National Health and Welfare) moved that Bill C-131, an Act to amend the Old Age Security Act (No. 2), be read the third time and do pass.

The Acting Speaker (Mr. Blaker): Is it the pleasure of the House to carry the motion?

Miss Bégin: Mr. Speaker, I would like to use my allotted ten minutes to make a few brief comments on this legislation which will restrict the indexing of basic pensions of senior Canadians.

[English]

As Members are well aware, this Bill is only one of a number of measures designed to encourage all Canadians to lower their expectations. Although limited indexation of the basic old age pension for those who do not need the supplement will generate estimated after-tax program savings of \$49 million in 1983 and 1984, the purpose of this Bill is not to save money, as I have often explained.

Members opposite, by the way, will notice that that sum of money totalling \$49 million is drastically lower than the earlier estimated savings of \$84 million, and I am very pleased about that. This is a clear indication that the inflation rate is being brought down in Canada. I say that because the New Democratic Party does not seem to be aware of this fact. In every speech made by NDP Members they continue to quote figures which are now seven months old. This is a very dangerous and misleading practice, and I would just ask them to be honest with Canadians, particularly senior Canadians.

As the Minister of Finance (Mr. Lalonde) said in Toronto last week, the Consumer Price Index dropped from an annual rate of 11.5 per cent in the second quarter of 1982 to 9.7 per cent in the fourth quarter, which is excellent.

Mr. Lewis: And we have two million people unemployed.

• (1110)

Miss Bégin: In other words, since the June budget, inflation has advanced at a compound annual rate of 7.2 per cent. That is the goal toward which this measure and other measures are working.

Mr. Munro (Esquimalt-Saanich): It still does not balance.

Miss Bégin: The Hon. Member opposite is very bitter. He does not seem to be in favour of seniors. He represents thousands of seniors in the City of Victoria. He should know what their best interests are.

Mr. Munro (Esquimalt-Saanich): It is not that.

Miss Bégin: Is it to let inflation erode their dollar in the long term, or is it to take the bull by the horns and make the effort to fight inflation and keep the full value of the dollar? If he would realize that, he would be in favour of this Bill, as unpleasant as it is to have to implement it.

Mr. Orlikow: Mr. Speaker, I rise on a point of order. I wonder if the Minister would permit a question?

Miss Bégin: I will finish my speech according to the new rules. The Member is then permitted a ten-minute question period. I hope Members will not interrupt me all the time. I am sure the Hon. Member knows the rules very well.

This means that 1.1 million pensioners with other incomes would receive about \$29 less this year and \$52 less next year. However, because of the success story of the six and five program, I have now estimated that they would lose \$18 this year and only \$39 next year. I want to make this clear to all Members in order that they understand at long last, and can give the proper and factual information to seniors.

Mr. Munro (Esquimalt-Saanich): Now tell us about the new estimates of the Hon. Minister of Employment and Immigration (Mr. Axworthy).

Mr. Orlikow: The figures are wrong.

Miss Bégin: This is a much smaller loss than projected because we are winning this fight against inflation.

Mr. Munro (Esquimalt-Saanich): That has nothing to do with it.

Miss Bégin: It has to do with all Canadians who have believed in six and five and fought inflation. That is what the Member does not seem to understand.