

The Economy

hygiene, 6.8 per cent for recreation and 5.9 per cent for tobacco and alcohol. I do not know why they did not go into recreation, but it is cited separately.

If you had these figures in front of you, Mr. Speaker, you would agree that those who are on pensions and have limited funds to spend would not be spending, for example, 6 per cent on tobacco and alcohol and only 31 per cent, five times as much, on housing. Even the housing is subject to certain corrections because a person on pension either gets special concessions, as they do in my province where they get a special rate on rent, or they are fortunate enough to have bought their house by the time they reach pensionable age. Therefore, 31 per cent of their expenditure is not going to housing. I suggest that 4.5 per cent for hygiene is away out of line. Even where most medical expenses are taken care of, it is not enough when you relate it to the 24.8 per cent for food.

● (1542)

Then there is recreation. How many elderly people can spend 7 per cent of their income on recreation, travel and movies? Included in recreation is admission to events, movies, sports, entertainment, stereo combinations. How many of our elderly people are buying stereo combinations when they are on pension? They either have them already or manage to do without them. They also are likely to have their television sets. Then there is TV repair and recordings. Under sports equipment comes boats, motors, bicycles, camera film and processing, cameras, camping equipment, toys, games, pet expenses. I think many people on pensions have pets and are fortunate to have their dogs and cats. Vacation lodging is listed. How many are able to have that? Education fees, tuition fees, driving licence; if they have not learned to drive by the time they go on pension, I suggest it is a little late. Reading includes newspapers and magazines.

Those are the various components of this 7 per cent set aside for recreation. I say this is out of line, just as the personal hygiene cost of 4.5 per cent is out of line.

One of the things the government ought to have been doing is directing Statistics Canada to draw up a more realistic consumer price index for those on pensions, relating it to their needs and style of life. How many of them buy children's clothing? How many can afford a sirloin steak?

Another interesting thing about this index is that it was devised in 1967. At that time gas cost about 30 cents per gallon, and home heating fuels something the same. Our electricity bills were in line. The bits and pieces contained in the consumer price index have swollen between 1967 and today. It is time the consumer price index was updated for the general public, let alone the elderly.

I said that the CPI is completely improper as a basis for pensions for the elderly. I am going to say quite clearly, so that there will be no mistake, that there has to be an adjustment in pensions for the elderly if inflation is going to continue.

The prime purpose of this party when it assumes government will be to conquer inflation. Meanwhile, there can be no

question that a realistic index will have to be applied to those who are on pension. They do not have the organized power to apply pressure to governments that other organizations in our community have and, therefore, they must be taken care of. They are our parents and the parents of our friends; let us not forget that. Those of us who are sitting here will one day feel that perhaps we would like somebody to look after us. Let us not forget that these elderly are ourselves ten or 15 years down the road.

I have said that what is needed is a more realistic consumer price index for the elderly. I want to deal with one other element in the resolution, the last paragraph which says that we strongly condemn the government for having failed to present new legislation which would stimulate consumption of Canadian products.

That is one of the things that I suggest this government might have done and did not do. Instead, it did something for political advantage, namely, it worked out by some devious means a confrontation with the provinces and invaded provincial jurisdiction on the matter of sales tax.

As soon as I heard this sales tax gimmick in the budget I said, "Why in the world did this government not just decide to reduce the federal sales tax?" Within its own jurisdiction it could have done this to the advantage of all of Canada. But not this government. This government wanted a confrontation. It wanted to invade a provincial domain and so proposed this exchange: "We will leave a couple of points on the sales tax and reduce income tax by \$100; you come in and increase provincial income tax and get back that \$100." They conned a lot of Canadian people into believing that the individual taxpayer was to gain something. That is not so. They are not being taxed by the federal government but by the provincial governments.

The other thing that I think is so reprehensible about the manner in which the federal government approached this is that in October there will be some tough decisions to make and it will be the provincial governments that have to make them. October sounds to me like an election month. The federal government will say, "Fine, you got that adjustment for six months so you are in clover. Now you are either going to have to continue with the tax abatement—we are not going to go any further than we did—or you are going to have to re-apply it."

If that is not the sneakiest way of dealing with the provinces that I have ever heard, then I have a lot to hear. It absolutely baffles me that a respectable federal government would try to put all provincial governments in this corner six months down the road, but that is exactly what they did. They fell for it but the day of reckoning will soon come.

On top of that they put forward this extraordinary method of deciding to return to one particular sector of the population in the province of Quebec, the federal taxpayers, something up to but not more than \$85. Again, that is a method of creating a confrontation situation with the provinces.

I think whatever else is said, this motion has a great deal in it. I think this House should strongly condemn the govern-