

*Supply—Finance*

one. The same hon. member has put forward a resolution in this house to raise the pensions of everyone to \$125, without any means test or examination of resources. He proposes also that the pensionable age be reduced to 65. The effect of such a proposition would be to add something like \$700 million a year to government expenditures.

**Mr. Saltsman:** Good.

**Mr. Francis:** Well, hon. members on that side say, "Good". Then, in the next breath they say, "Please tell us what an adequate basis of pension would be". This is like saying, if we throw enough gasoline on the fire, how do we put out the fire? The problem is one of controlling inflation. I know it is not easy for the Minister of Finance in these circumstances. I know he is a man of great personal justice, a man who feels very deeply about these matters. However, he has to do a very difficult job in the field of fiscal responsibility at this time. It is very easy for hon. members in opposition to say we should spend another \$700 million a year, and then to go on and say this is not inflationary because we are just giving people money to spend; that it really does not matter. It does matter. You cannot give away large sums of money, you cannot make large promises to people in various sectors of the economy, and at the same time hope that you can be responsible in controlling inflation.

The quarrel I have with hon. members of that party is that it seems to me their platform at this stage is a platform of inflation. They can call it whatever they like. They are very good at distributing money, but when it comes to policies which create money and investment in the country, then their program is deficient. In one respect I agree with what the hon. member has said. I think that the case for an adjustment of the pensions of those who are retired, which will compensate to some degree for the hardship they are suffering, is a very strong one. As I said before, it is one which I will urge to the best of my capacity to those responsible for making the decision.

I can think of an example in my own constituency of a couple who are now approaching 90 years of age. The husband retired 25 years ago and on retirement he had \$25,000 in personal savings and a pension of \$100 per month. This, according to all reasonable expectations, would be adequate resources for his retirement. Today he has nothing. Ill health creates medical bills, and a pensioner must depend on other resources or he must

face a means test. Today the man I am talking about is surviving with the help the city is providing.

• (4:40 p.m.)

So, Mr. Chairman, I wish to join with those who have urged in this house that at the first opportunity consideration by the minister and the cabinet ought to be given to an adjustment in pensions, to setting interest rates with respect to the fund to bring those rates more in line with market rates and to recognizing that this is not in the same category of expenditures as other expenditures which are claimed. We recognize the problems at this time and we note the figures. We also believe that the case is such, here, as to command a very high priority.

Before sitting down I wish to make one last series of remarks. There is, as some hon. members know, an organization composed of superannuated civil servants that has set itself the objective of raising pensions. I suppose you could call this a lobbying organization; but the tactics of the organization and the manner they have approached this problem is a matter of some concern. I note that within the last couple of weeks they had a convention in Ottawa. The organization has only about 8,000 members. The fact is that they have weakened their case by presenting it in an intemperate way; they have weakened their case by the irresponsible presentation of a good case and by the tactics they employed in an election campaign.

Let me say at once that I believe in this pension adjustment and I said so at the beginning of the election campaign. That did not stop this organization from calling a meeting in my constituency in the middle of my election campaign, inviting my political opponent to it and not giving me the courtesy even of sending me notice of the meeting or inviting me to it. That did not prevent this organization from sending out a notice to all its members endorsing my political opponent. Of course, that is their privilege and right; but this sort of thing creates many problems for a person trying to promote the idea of pension increases. In trying to achieve its objectives the organization used methods which were considerably less than diplomatic, and still less judicious. They are entitled to seek their objectives, that is true. If one of their objectives is participation in politics, that is their privilege. If they wish to participate in the election of a government, that is their privilege. But if they are trying sincerely to gain the support of those who are truly