

*Supplementary Retirement Benefits Act (No. 2)*

erodes away. I know a number of pensioners in my constituency and across Canada who throughout their working lives have done everything they should to look after themselves in their declining years, for want of a better word, and they now find themselves almost destitute because they paid in good money for bad pensions, or what turned out to be a bad pension because of inflation.

Inflation has not been wrestled to the ground, and what has been going on at the present time will result in another great bout of inflation once the economy recovers. We are guaranteeing that by the continued high deficits and by the Government's financial policies. I believe the action of the Government in putting before us Bill C-131 is despicable. It should not be done this way at all. We should have a public debate on all pensions. We should not single out the public servants to be harassed in the way which has been done by the present Liberal Government. We should try to ensure, Mr. Speaker, that all Canadians can avail themselves of pensions which will enable them to live in dignity once they pass through their working years. They should have the best pensions we are able to afford.

**Mr. David Orlikow (Winnipeg North):** Mr. Speaker, when some years ago Liberal Governments of the day brought forth legislation which provided for the indexing of the old age pension, Family Allowances, Public Service pensions and the Canada Pension Plan, and when the Parliaments of that time approved those proposals, what they were establishing was not the principle that people receiving the benefits under those programs would get increasingly generous assistance from those plans, but rather what they were adopting was the principle that even if the cost of living went up, as it has every year since that legislation was passed, those people would be secure. The real benefits, the real standard of living of the people receiving the old age pension or the Public Service pensions, or Canada Pension or the Family Allowances, would continue at the level and the rate they obtained when they became eligible for the programs.

Therefore, Mr. Speaker, when the Government now proposes to change the rules, to put a cap of 6 per cent and 5 per cent on old age pensions, Family Allowances and Public Service pensions, what they are saying in effect is that the real standard of living of these people will be reduced because the cost of living is still rising at substantially more than the six and five figures the Government talked about. There is no indication that it will be much less than 9 per cent in the coming year. Indeed, there is every reason to believe that in fact the cost of living may rise rather than drop.

● (1610)

In his speech a little while ago, Mr. Speaker, the Parliamentary Secretary to the Minister of Finance (Mr. Fisher) tried to argue that there was no contract with respect to Public Service pensions between the Government of Canada and the organization representing public servants, and therefore the Government was quite proper in bringing forward this legislation. I am not going to repeat the arguments or quotations from letters written by the Prime Minister (Mr. Trudeau) which

indicate there certainly was the implication by him that the Government would maintain the indexing of Public Service pensions. However, I suggest the Parliamentary Secretary does not have to look very far to see that the Government does not mind at all breaking contracts negotiated with its employees. After all, it was a Liberal Government of Canada which gave the public servants the right to collective bargaining on wages and salaries and other questions. It was the Government of Canada which reached agreement with all public servants on the wage and salary increases they would be entitled to this year and next, by free collective bargaining. Nearly all those agreements called for increases of more than 6 per cent and 5 per cent, yet the Government has unilaterally brought in legislation which limits pay increases, as it limits pension increases, to six and five.

Members of the Opposition have been accused by Government Members of opposing these proposals for partisan political reasons. Nothing could be further from the truth, Mr. Speaker. It is not that we are not partisan; the essence of a democratic system is that there should be differences of opinion between various groups and parties. However, in opposing the legislation we are dealing with today, we are not alone. I am sure Liberal Members of Parliament have had hundreds of communications from retired public servants or their widows telling of the difficulties they will have. We know there may be a few retired public servants, like the former Deputy Minister of Finance, Mr. Reisman, whose pension is quite generous. But thousands of pensioners, particularly the widows of former Public Servants are drawing pensions of \$1,000 or \$2,000 or \$3,000 and they are living in real poverty.

I have spoken on this Bill before and I do not want to repeat what I have said on other occasions. In any case, I could not say anything about this Bill nearly as eloquently as were the comments made about this kind of legislation and other Government policies in the statement released a few weeks ago by the Canadian Conference of Catholic Bishops. Speaking about the Government's policies dealing with the real economic and social crisis in which we are living at the present time they say this, amongst other things:

In developing strategies for economic recovery, we firmly believe that first priority must be given to the real victims of the current recession, namely—the unemployed, the welfare poor, the working poor—pensioners, native peoples, women, young people—and small farmers, fishermen, some factory workers and some small businessmen and women. This option calls for economic policies which realize that the needs of the poor have priority over the wants of the rich; that the rights of workers are more important than the maximization of profits; that the participation of marginalized groups takes precedence over the preservation of a system which excludes them.

If there ever was a marginalized group, Mr. Speaker, it is the kind of people I have been talking about, those who are living in real poverty by any standard which any Member of this Parliament wants to establish. They go on to say:

—greater emphasis should be given to the goal of social responsibility in the current recession. This means that every effort must be made to curtail cut-backs in social services, maintain adequate health care and social security benefits, and above all, guarantee special assistance for the unemployed, welfare recipients, the working poor and one-industry towns suffering from plant shut-downs.