

bonanza for speculators but a loss of tax revenues which the Prime Minister is asking Canadian pensioners to carry on their backs. I am asking you, Mr. Speaker: Does this make sense to you? It does not make sense to me. It does not make sense to a lot of people. If it did, we would not be getting all these inquiries and petitions that are pouring in every day.

● (1710)

The Minister of National Health and Welfare says that we are wrong, but that is political debate. In politics we start from the premise that our Party knows better than the other Party. This sin has been committed since politics was invented. However, is the Minister of National Health and Welfare saying that the Premiers of Prince Edward Island, Nova Scotia, and New Brunswick are wrong in condemning this measure? Is he saying that the Premier of Manitoba and the Quebec National Assembly are wrong on this matter? Is he saying that Ontario, with its lame duck Premier, is wrong to have disagreed with this measure? Is he saying that the Ontario Student Federation and the Business Council on National Issues are wrong? Can all of these people be wrong while he is right on this matter? Evidently, Mr. Speaker, a conceptual flaw allowed the Government to arrive at this decision.

The Tories thought that they could tell pensioners to accept a 3 per cent loss in purchasing power and that they would use the money saved to create jobs for Canadians. They thought that this kind of logic would stick because we have been told that in Question Period dozens of times. They also thought that the cancellation of some \$920 million in tax revenues from oil companies would not be considered by pensioners. Pensioners are mature, well informed, intelligent people. They have perhaps more time to read than some of the Ministers in this Cabinet. They put two and two together fairly quickly and that is why they are reacting so energetically.

In the 1970s, Senator Croll said that the day would come when senior citizens would have to organize and exert pressure with the Government. At that time everyone smiled. Those words have turned out to be prophetic. He was right. That great man has done a lot for pensioners in this country.

It is important to build the pension system in our country rather than to weaken or appear to be dismantling it by saying that this is just a proposal. It is irresponsible to do that. If anything is done, it should be to make a proposal which strengthens the pension system and gives hope for the future rather than raise a spectre of erosion and losses to the most vulnerable sector of our population which does not have the opportunity of being employed.

The proposed measure would add 200,000 pensioners to those who live under the poverty line. Does that seem progressive to you? Is it fair to tell a pensioner, who is already living on Old Age Security, to turn to the GIS if he cannot make it with the deindexation? The vast majority of Canadians would not want the Government to take that direction.

Corporation taxes were decreased by \$2 billion through the Budget. Individual taxes were increased by \$4 billion. The

### Supply

Budget also introduced a personal capital gains exemption of \$500,000. The general thrust of the Budget inevitably draws one to the conclusion that it is in the interest of the well-to-do in our society. Therefore, it is wrong, Mr. Speaker. That is why we are all up in arms and why this motion is before us today.

I submit that our motion offers an opportunity. It says:

That this House urges the Government to commit itself now to maintain the present system of full indexation of Old Age Security pensions after January 1, 1986.

This motion urges the back-benchers of the Government Party to put our social security pension system back on the right track to protect pensioners from the vagaries of inflation by protecting their purchasing power. They must be ensured they will not lose ground to economic development over which they have no control.

In 25 minutes it will be necessary for us all to recognize that a mistake was made. This motion offers an opportunity for the redress of potential damage before the summer recess in order to allow our senior citizens to enjoy the summer in the full knowledge that their future is not threatened by this kind of "proposal". If this is only a proposal, the Government has heard enough from this side of the House, and from outside of the House, to reconsider its stand.

I call upon the Prime Minister, the Minister of National Health and Welfare, and the Minister of Finance to make this announcement before Parliament adjourns for the summer. They must read the mood of the country and understand the anxiety that is developing in the country. They must take the step that will be applauded by everyone in the country.

**Mr. Gagnon:** Mr. Speaker, I would like to make a comment on the remarks of the Member for Davenport (Mr. Caccia) and on those of some of the other Members of the two Opposition Parties. They continually refer to the so-called windfall profit to the so-called multinational oil companies. The two areas where they believe our Government is giving them money are; first, through oil deregulation and second, the termination of the Petroleum Gas Revenue Tax. As far as deregulation is concerned, the price of oil has been falling internationally and it seems that there is much less money, if any, in windfall profits.

● (1720)

When they talk about the termination of the Petroleum Gas Revenue Tax, they should also remember the \$1.7 billion that the oil companies received last year from the Liberal's Petroleum Incentive Program. That program will be terminated, commencing March 28, 1986, while the Petroleum Gas Revenue Tax does not terminate until 1989.

Let me also remind Members opposite that as part of the Western Accord, the consumers of natural gas are saving \$900 million a year which would have been tacked onto the price of natural gas. This is money coming from the pockets of the oil companies and going to consumers. I would ask them to remember all the facts.