

and yet I hear we might be going to the people. All I am saying is that I hope the minister is not flim flammng the Canadian people.

When we are finished, I will have a few questions to ask the minister with respect to this extremely important matter. Will all the actuarial evaluations be completed and available with regard to this new three year thrust? Will they be available when the bill is given first reading? The minister nods his head in the affirmative, and I am pleased to see that.

I see you rising, Mr. Speaker, but this is important—

**Mr. Deputy Speaker:** Order, please. I might be able to give the hon. member an extra minute or so, but I wish to refer him to Standing Order 9. He himself said that this question will be debated, but the Standing Order provides that, after a statement by a minister, spokesmen from each party are authorized to make brief comments. I know that representatives of other parties want to speak and that other hon. members want to ask questions. There has been an agreement not to see the clock, but if I were to allow the hon. member another four or five minutes, I would be abusing the rule as well as the rights of other members.

● (1712)

**Mr. Alexander:** I am finished now, Mr. Speaker, so I can close. I think I have made all my points. I just want to say that we appreciate the direction in which the minister is going. We do not know whether this is the method by which the problem can be solved, so therefore we are waiting anxiously for the minister to introduce legislation so that we can deal with this matter properly and hopefully come up with a solution whereby we can have peace with the public service and the private sector and so that we will not have a continuous harangue about who is paying for what and dipping into the public purse.

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, although I may not go along with everything which has been said by my friend, the hon. member for Hamilton West (Mr. Alexander), I am delighted that he recognized that the statement made today by the President of the Treasury Board (Mr. Andras) is a reaffirmation of the government's commitment to the principle of the indexation of pensions.

**Some hon. Members:** Hear, hear!

**Mr. Knowles (Winnipeg North Centre):** As one who has been involved with this issue from, I think, the time it was first talked about—in fact, I think I was the one who started the talking more than 30 years ago—I was glad in particular to hear the minister say:

In short, the principle of maintaining the purchasing value of pensions so that pensioners can maintain their access to the same basket of goods and services is a principle to which the government is committed—and remains committed.

That applies to all public servants and to many others who come under the aegis of government pension plans. Just to get one point clear, we are not in today's discussion dealing at all with old age security, the guaranteed income supplement,

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family allowances, veterans disability pensions or war veterans allowances. Those benefits are all indexed to the full cost of living. They are not being touched.

**Mr. Baker (Grenville-Carleton):** Or the CPP.

**Mr. Knowles (Winnipeg North Centre):** Or the Canada Pension Plan. I thank my friend for reminding me of that one. I hope the fact that the government has come down, with respect to public service pensions, for maintaining the principle of indexation means that there will be no more nonsense in the cabinet about cutting out the indexation of those other social programs.

If we were really on television and the country out there was hearing us right now, I would like to say to the retired public servants of Canada who are on their pensions and who are wondering whether all this talk means they are going to lose their indexation that, even if this program is implemented in full, for the vast majority of them there will be no change.

**Some hon. Members:** Hear, hear!

**Mr. Knowles (Winnipeg North Centre):** They will continue to have their pensions indexed to the full amount of the cost of living. I will go into that in detail in a moment. There will be some at the top who have got increases by abusing the possibilities in the system who may suffer. Even those who have already got it by abuse may not suffer, but the same abuse is something others will not be able to practice. However, before I get into details about the announcement of the minister, I want to say—and I think there have been some interjections along the same line—that the answer to the Colin Browns and all those characters around the country carrying on a campaign against these pensions being indexed because public servants have it and those with private pensions do not, is that it should not be curbed or taken away from those who have it but that the principle of indexing pensions should be extended to all pensions both in the public and in the private sector.

I was happy to note that within the last day or two at least one prominent firm in the private field, the Mercer Company, has indicated that it believes that the day will come when private pensions will have to be put on an indexed basis as well. Even if that means a contribution from federal funds toward the indexing of pensions for people in private plans as well as in public plans, I agree, but with costs going up all the time a pension which stays fixed, or a pension which does not rise at least to the extent of the rise in the cost of living simply is not a pension. It is just something to keep a person off welfare for a little while. If pensions are going to be meaningful, they have to be indexed. As I say, that has to apply across the board. In my view a good deal of harm is done and a good deal of distortion takes place by the talk that the insurance people and the people in this report I have in my hand indulge in with regard to accounts, funding, interest rates and all that.

When people are living on pensions, they are not living on food, clothing and shelter that they have saved. They are living on food, clothing and shelter which are being produced at that