

Supplementary Retirement Benefits Act (No. 2)

he rebutted the statements of the President of the Treasury Board about a contract. The President of the Treasury Board seemed to think he was on firm ground because there was no written contract with civil servants, the Armed Forces or the RCMP signed by the appropriate Minister of the Crown, I suppose—that would be the President of the Treasury Board—and signed by every one of the hundreds of thousands of people involved, an agreement that would say, “Yes, I will pay you an indexed pension”.

I have here a copy of a few pages out of the Statutes of Canada, and one part says, “This Act may be cited as a Supplementary Retirement Benefits Act”. In this it defines what a pension index is. With respect to any year it is the average for that year of the Consumer Price Index for Canada as published by Statistics Canada.

What does the Minister mean when he says the Government does not have a contract? Of course it has a contract; it is spelled out in the Statutes of Canada. If he is trying to say that the Statutes of Canada are really meaningless when it comes to whether it has a contract to fulfil or not, then I think we must take a new look at the dealings between this employer and its employees. If he can say that about pensions, the Government can say that about employees’ pay, their terms of service, terms of employment and so on.

What is sad about this legislation is that the Government, with the need for restraint that has become obvious to everyone in the last year—except that it may have become obvious to the Liberal Government a little later than to others—has looked at a class of people, a group of people that will suffer. This group of people is going to be moved, from the position they now hold in our social fabric, down 5 per cent. That is what it means. Instead of that group being able to buy the kind of groceries they were able to buy last year, and expected they would be able to buy this year, they are to be moved down 5 per cent, and they have to stay there forever. No longer will they be where they were this past year or the year before. They are down 5 per cent. There is no way they will ever get that money back, nor ever return to the base on which their annual percentage increase will be computed. Down they go, and this is pretty hard to take for this class of people who mainly have in common the fact that they work for the Government and that they are elderly. Some are wealthier than others and those it will not hurt as much as others, but there are quite a few who will be hurt quite considerably.

I think with some affection of the gentleman who appeared in front of the Standing Committee on Miscellaneous Estimates and spoke to us about his pension. His name was Mr. Aplin and he was an ex-serviceman. I was questioning him about the 85 rule. I sometimes think I am the only person in the House who understands what the 85 rule is about, but I know about that because I am an ex-serviceman. It is that your age and your service must together add up to 85 before you can become indexed. One of the reasons this is particularly important to servicemen is that they are not allowed to serve until they are 65 or 60. They are turned out much earlier. When I questioned Mr. Aplin, I asked him “So the 85 rule is particularly savage on servicemen where it is not on civil

servants, in that they have this compulsory release age. How old were you when you were let out of the forces?” Mr. Aplin told me “forty-five”. I said, “Age 45. And when will you be indexable, or are you now?” Mr. Aplin responded, “I am not indexable until January 21”. That was four days ago. Congratulations Mr. Aplin, you made it. I then asked him, “And how long have you been out?” I meant out of the service. He said, “Ten years. No, 12 . . . 13 years”. I said, “Might I ask how much your pension is?” His reply was, “\$277.55”. I said, “And has been for ten years.” He said, “It has been for ten years”.

That is the kind of person that we should be thinking about, a person who has been on pension for 12 years at \$277.55, yet the general public thinks that immediately a person gets out of the service they retire on a fat pension. They certainly do not.

Another question is whether or not a person should lay up an income for their old age. That is a conflict between the wish of the Government for people to make their own preparations for their golden years and the Guaranteed Income Supplement. When a person is thinking of buying an annuity or working for the Government for a sufficient time to get a pension of, let us say, \$250 a month, that simply means that if that is all one has when one reaches the age of 65 and retires, one might as well not have any pension at all. All it means is that it prevents one from drawing the Guaranteed Income Supplement. This is the odd conflict that we have got into by the mismanagement of the pension funds and the pension terms in this country.

In closing I would just like to say that we have participated at great length in this debate. It has been interesting and has presented quite a challenge, I would expect, to the morality of some of the Members in the Liberal Party and, I hope, they will make the right choice when the vote is taken in the next half hour or so.

• (1710)

I am much encouraged by the Hon. Member for Renfrew-Nipissing-Pembroke (Mr. Hopkins) who last night said, “Therefore, it is with regret that I state now that I cannot support Bill C-133”. I looked for him last night when we were voting on Bill C-133. There must have been some earth-shaking, cataclysmic event of about seven on the Richter scale that kept him from coming here to vote. We look forward to him and others making their decision in half an hour or so from now. I hope enough Members on the other side will think of the debt they owe to the senior citizens of this country and show an example that will encourage the old age pensioners whose turn will come in a few days or week, giving them hope that they will be treated in the just manner to which the Prime Minister (Mr. Trudeau) was so fond of referring in his election campaign.

Mr. Peter Lang (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I wish to speak in favour of the motion for third reading of Bill C-133, as modified by the President of the Treasury Board (Mr. Gray) to grant pension