

broke those contracts. Not only were they in writing, they had been negotiated through free collective bargaining. The Conservatives say they believe in the concept of free collective bargaining. In that instance, however, they came into this House and voted in favour of reducing the wages of public servants and railway workers across Canada. It is the height of hypocrisy when they stand in the House today and say they will not stand for it. They have stood for it, and that should be made abundantly clear. I remember an election campaign when the Liberals were using the slogan "A leader must be a leader". Trudeau, with his gunslinger image—

● (1210)

**The Acting Speaker (Mr. Corbin):** Order. I must draw to the attention of the Hon. Member and all Hon. Members that it is against the rules to mention another Member by proper name. A Member should refer to his colleagues by their portfolio, the office they occupy or the name of their constituency. Members may not do indirectly what is not allowed directly.

**Mr. Parker:** I stand corrected. Our Prime Minister (Mr. Trudeau), with his gunslinger image, our Prime Minister, the tough guy. This legislation makes it clear who the Prime Minister is getting tough with—the retired public servants, Old Age Security recipients and families with children. That is not a tough guy; that is a schoolyard bully.

The Government says it will bring about economic recovery by picking on the poor. With this legislation, it is playing Robin Hood in reverse. It is attacking retired female public servants who have always received low pensions, retired long-service veterans who have served their country well and retired police officers. It must be clear that this is a real attack, not just a public relations ploy.

Retired public servants face a 10 per cent cut in their standard of living. To some, that is pretty important. As of 1982, average pensions were \$6,900, pensions of widows \$3,200 and pensions of new retirees \$8,100. That is not an awful lot of money. A real 10 per cent cut in living standards will push many of these people into poverty. This is especially true because there is no guarantee on prices.

Canadian Pacific raises its rates, energy prices are going up, as is home heating fuel and gasoline. The Government will try to argue that its programs will protect these people, but it cannot deny that many pensioners will fall below the poverty line.

A pension of \$8,200 might sound good to many Canadians, but we must remember that that is an average. For every one receiving a pension above that, there is someone receiving a pension below it. This legislation will do a great deal of damage. No way can it be called a public relations ploy. It is an attack on retired public servants in the same way that Bill C-124 was an attack on working public servants.

I have estimated that railway workers in my riding will each lose in the area of \$3,000. It is clear that the purpose of the Government is deliberately to try to reduce the wages of

workers and their living standard. It is doing this for two reasons. It believes that if wages are lower, we will export more. Also if wages are lower, there will be higher profits and business will invest more. In other words, the problems of unemployment, inflation and recession will be fought on the backs of the working people and the poor.

What about the well-to-do in this country, the many people who earn over \$100,000 and do not pay a cent in income tax? What about the suggestion in the June budget that some investors might not have to pay tax on returns that are lower than the cost of living? What about those companies that have taken billions of dollars out of this country over the years? How does all of this compare with the people this Bill deals with?

Bill C-133 is a tax measure. The effect on Government revenue is the same as a special tax aimed at retired people. The Government could not get away with calling it a tax measure, so it calls it an anti-inflation measure. This Bill will cause more, not less, unemployment. Low-income people spend their money and that creates jobs in the communities, particularly in small businesses. Government grants to business do not create jobs unless business decides to invest. Why would any business invest when it is not now operating all of its equipment?

In the riding of Kootenay East-Revelstoke, with railway workers on the six and five program, public servants reduced to six and five, municipal and provincial governments getting in on the six and five program, as well as the tremendous number of lay-offs throughout the riding, consumer spending will go down and there will be more unemployment. The Minister has indicated that this measure will create employment. It is not creating employment but unemployment, and that is occurring in areas that can ill afford it.

There are 700 railway workers in Revelstoke. Because of Bill C-124, each will lose \$3,000. That is \$2,100,000 that will be lost in that community alone; lost to the small stores, car dealers, home builders and so on. Cutbacks in pensions will have the same effect, only it will not be concentrated in one community but spread right across Canada.

There is a more direct way in which this Bill will cost jobs. With lower pensions, fewer people will retire. Those who have retired may think about re-entering the workforce as their standard of living falls. This will mean fewer jobs available, particularly for untrained young people who make up such a large part of our unemployed.

Just as serious is the damage being done to the morale of those public servants who serve the people of Canada. These people believed they had a contract and were assured of a decent life in their retirement. After this legislation, they will never again trust the Government.

The President of the Treasury Board (Mr. Gray) states that there is no contract. He knows full well that when an extra 1 per cent a year was being taken from public servants that that was a contract. They were getting the money and they were