

Mr. McCrossan: Mr. Speaker, we are doing everything we can to affect pensions under our control. We are trying to set a lead. That hypocritical Party that was the Government did not try to give any sort of leadership whatever. The Liberal Government let the problem fester over the last five years.

Ms. Mitchell: What about the Canada Pension Plan and the OAS?

Mr. McCrossan: The Liberals were suggesting that we should be condemned for not fully indexing—

Mr. Nunziata: Read the motion.

Mr. McCrossan:—the Old Age Security pension. That is an important part of our pension system. It is not the only part. Since 1976 the previous Government had refused to increase by even one dollar the limit on money that people could set aside to put into pensions. There was no partial indexing for a cost of living above 3 per cent. The Liberals sat and watched the private pension system get weaker and weaker so there would be more reliance on OAS and GIS as a result. The Liberal Party is hypocritical because the Liberals did not take the sort of action they are espousing in this motion.

I mentioned that in the analysis of the Budget we decided that we had to take action to eliminate the structural deficit, the deficit that arose because of the full indexing of all government expenditures and the full indexing of all tax deductions. We did not take the steps which the previous Government took with the 6 and 5 program of a drastic reduction and of providing no protection regardless of where inflation went. We decided we would take the step of protecting our pensioners against the re-emergence of inflation. That is why we took the steps in the Budget, not only to limit the OAS for expenses and deductions but all government expenditures and all tax exemptions. We took an action which was long overdue with respect to Members in this House of saying that Members could not have special protection and special benefits which everyone else in the country cannot have. We eliminated the full indexing on MPs' pensions as well, a step which the previous Government did not take.

This Liberal motion is hypocritical because it focuses on one aspect of the Budget while assuming that nothing else changes in the meantime. The Liberals are hypocritical because if their Members who served on the Health and Welfare Committee had shown up for this debate, they would know that the all-Party committee passed a unanimous recommendation to study the structure of the OAS, the GIS, the age exemption and the pension exemption and asked for a referral back to the committee this fall. I fully expect we will have that recommendation implemented.

Ms. Mitchell: You said you would not touch the OAS. What about the blue book?

Mr. McCrossan: No. In the blue book the Government was not looking at making a change at this time. The all-Party committee unanimously recommended that we take a look at the entire structure of OAS, GIS, the tax exemption for age

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and the pension income exemption. Members know that that matter will be coming back to the House later this year, certainly before the April 1 deadline when the OAS limiting applies. Moreover, every Member of this House knows that the CPP is up for renegotiation with the provinces, that basic changes will be made in the next year in the design and benefits coming from the CPP which affect a level of protection provided our pensioners. This Party has a strong commitment to improving disability and spouse's pensions in the CPP. We can expect a full pension overhaul.

This motion, in assuming that nothing else happens anywhere in pension reform when it is obvious that this Government is treating it as a priority, is hypocritical by extrapolating one small item in the Budget and saying that is the only change and by trying to scare people as if nothing else were happening. The Opposition knows full well that all kinds of measures are under development that will affect the level of incomes for our elderly. That is why I say that this motion is hypocritical. In nine months we have brought forth Bill after Bill after Bill. I believe this Parliament will be recognized as one of the most active in history. In nine months we cannot undo 15 years of mismanagement. We are proceeding with programs step by step. Members know we have a strong commitment to pension reform.

Mr. Nunziata: It is time to wake up. You fell asleep on September 4.

Mr. McCrossan: It is time for you to wake up. I have been following and working on these issues. I have a fair idea of our commitment to pension reform. I can tell the Hon. Member that we have succeeded in increasing job creation. We have succeeded in getting interest rates down. We have succeeded in getting business expenditures up, more than double. We have succeeded in getting more benefits to single mothers through the child tax credit. We have succeeded in bringing in widows and widowers' pensions for those between the ages of 60 and 65. Just wait until the Opposition sees the results of the actions of this Government. The Liberals are trying to scare people once again. Their scare tactics are unjustifiable. Just as they tried with the November statement and as they tried in February with the Budget and with Challenge '85, the Opposition is trying to scare, but one by one their scare tactics are proving to be unjustifiable. They were wrong then; they are wrong now. They have no policies themselves. They are bankrupt of ideas. They have no policy other than to scare the weak in our society, particularly to concentrate on scaring the elderly, even though the Liberals have the knowledge that other steps are in progress which will change the situation and improve it.

Some Hon. Members: Hear, hear!

Mr. McCrossan: I am not a betting man, Mr. Speaker, but I would be prepared to wager \$5 or so with any member of the Opposition who wants to wager about the change in the number of people under the poverty line during the next three or four years compared to the last three or four years.