

submitted them. I am concerned that if this is not done, the organizations and individuals involved, the taxpayers, those constituents of mine who have written letters, will assume that silence denotes assent, and this cannot help but exacerbate future relations with these organizations and individuals.

One thing is crystal clear: when there is a breakdown in trust, an atmosphere of mistrust and suspicion quickly develops, which, if left unchecked, can poison a broad range of employer-employee relations for a long time. It was with this in mind that I concluded in my speech during second reading stage that this is a Bill which makes everyone a loser. The taxpayer loses, the pensioner loses and the Government loses by its presence.

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I have no questions to ask of the Hon. Member who has just spoken. I listened carefully to a very thoughtful speech by a very thoughtful person. Certainly, there are few people in the House who could match his knowledge concerning the problems of senior citizens and indexation. Also, I suspect there is no one in the House who has more clearly seen what the Government is doing. The Government is breaking a pledge to civil servants and to the Armed Forces, and I understand that next week or sometime in the near future it will be the turn of the old age pensioner.

This morning we listened to the President of the Treasury Board (Mr. Gray) while he gave us his excuses for what was going on here. He made a few statements which absolutely astonished me. I simply cannot understand them. Perhaps he will enter into another debate next week on the Old Age Security Act and explain how he could say such things. I took down what he said at the time, and he said, "The payments to the pensioners come from the taxpayer, generally". This is very difficult for me to accept from a Minister of the Crown or from anyone else, for that matter. Another opinion was stated by Bruce Phillips, the commentator on the CTV National News last night. He is usually much more sensible. I do not know how he could state such an opinion, which I know Hon. Members opposite hope is a popular opinion, as to how people felt concerning indexed pensions, without mentioning the Superannuation Fund or the Supplementary Retirement Benefits Fund. He implied, as did the Minister this morning, that that money comes entirely from the taxpayer.

My colleague, the Hon. Member for Nepean-Carleton (Mr. Baker), placed a question on the Order Paper a few weeks ago and received an answer on January 21. Question No. 4,486 asked, in part:

For each of the past ten fiscal years, what was the amount of (a) interest earned (b) employee contributions—

Statistics were given for several different funds, starting with the Public Service Superannuation Account. Employee contributions, which the President of the Treasury Board likes to completely ignore, as did Bruce Phillips last night, amounted to \$126 million in 1972. Pension payments amounted to \$121 million. Therefore, starting in 1972, more money has been paid in by employees than paid out in pensions, to say nothing of the employer contributions or, as the President of the Treasury Board would like the general public to believe,

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the amount derived from general public taxation. In 1973-74 the employees contributed \$141.5 million and pension payments were \$139 million. In 1974-75 the employees contributed \$168 million and the pension payments were \$161 million.

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How the Minister can go on with this kind of "Gray's Elegy" as he did this morning, and I hope it will not be read hundreds of years from now as the other "Gray's Elegy" has been, but how he can claim that the payment out to the pensioners comes from the taxpayers generally, in view of the figures I have just read out, is beyond comprehension.

As well as that, the Public Service Superannuation Account receives interest which is credited, additional interest which is earned and employer contributions.

If I could skip to the year 1981-82, which is the last one mentioned in this answer to the question from the Hon. Member for Nepean-Carleton, the interest credited was \$837 million; the additional interest earned was \$355 million; the employees contributed \$403 million and the employer contribution was \$606 million. That is a total of \$2,201,000,000, and the pension payments were \$459 million.

There has to be something wrong about these figures and the statement from a Minister of the Crown that the general taxpayer is paying this. Does that mean that all these figures are just a figment of the imagination of some clerk somewhere, that they mean nothing? One would assume so, if the Minister actually believes that the pension payments come generally from the taxpayers.

I would like to mention a few figures for the Canadian Forces Pension Fund, which provides on a per capita basis for those involved, a somewhat larger amount per person. They had receipts into their fund, the interest credited, of \$618 million; additional interest earned was \$262 million; employee contributions, \$91 million, and the employer contributions \$198 million. This was in the year 1981-82, and the payment out was \$291 million. From this it can be seen that the payments in far exceed the payments out, in fact that is true in almost each category. Yet the Minister had the nerve to say that the amounts in the superannuation accounts represent the amounts required to pay future benefits. Does that mean that in the answer to the Hon. Member for Nepean-Carleton, when he mentioned employee contributions, the Department officials also made that up, either from their imagination or from their computers, because, believe me, civil servants know where some of that money comes from? It comes from their pay cheques and it comes out of the servicemen's pay cheques. They have no doubt at all as to where it comes from. The servicemen and the civil servants may consider that they are the only ones putting money into it, and that may be so, from these figures. Certainly if the Government has not exactly cheated them, it has given everyone in the country the wrong impression of what is going on with the civil service pensions.

The subject was dealt with at some length by my distinguished colleague from Nepean-Carleton this morning when