

Old Age Security Act (No. 2)

here in Canada where our Government has been following a similar policy. The misery index in Canada is around 22 per cent, composed of a 10 per cent inflationary rate and an unemployment rate of about 12.7 per cent. In France this misery index is almost as high as ours, being about 18.3 per cent. I point out, therefore, how totally wrong the socialists are in trying to solve the inflationary situation in this way. That is really why those Hon. Members are so upset about any kind of rational policy to put this country back on its feet.

While the six and five policy might have been reasonable, its application to pensioners is the most unreasonable thing this House has ever been exposed to. This is really rotten legislation. It bears no relation to inflation. Pensioners do not cause inflation. About 57 per cent of pensioners live at just about the poverty level. Most of them do not get more than \$9,000 or \$10,000 a year.

What causes inflation, as everybody should know, is the expectation of higher wage settlements every year and higher prices. It is the result of gouging through certain price rises and the anticipation by the public of what is going to happen in the future.

It is my belief and the belief of my Party that the six and five policy made sense because the Government was taking a lead in this fight against inflation by using its impact on the economy. I do not remember when this Bill was first brought before the House, but it was before the House, was referred to the committee and is now back at report stage.

• (1540)

It reminds me of the battles we had over the energy legislation when it was discussed in Parliament. The energy legislation was introduced and then discussed at length in the committee. The committee heard from a great number of delegations, none of which had anything favourable to say about the legislation. Some of these independent delegations were from other parts of the world, such as Norway and Sweden. Not all the members of those delegations were directly connected with the oil industry. While no one said anything positive about the legislation, the Government simply proceeded to push it through. If we review what has happened to our energy industry in the last year, we can see that those delegations predicted exactly what would happen. The outcome was not unknown to the Government. It was not new to anyone who knew anything about the energy industry.

This is exactly the same situation with Bill C-131. People who are involved in the welfare system, both federally and provincially, as well as other groups who are knowledgeable in this area, have pointed out how bad this legislation is. These measures will not have an effect on the six and five program or reduce inflation, but will only once again place a heavy burden on senior citizens. One of the most unpleasant aspects of Bill C-131 is that once again women are being affected more than anyone else. This is a shame to me because one of the deficiencies of our current pension system is that it does not include women in a retirement income scheme in an equitable manner.

We know that Ontario will not approve the drop-out clause provision in the Canada Pension Plan which allows people to drop out to raise a family and not have their retirement income affected too drastically. As well, we know that there is a problem for homemakers who are not involved in the pension scheme at all. Why does the Government not concern itself with these issues? It is not sufficient for the Minister to say that a green paper is forthcoming, because that does not solve those problems either. Surely we must be putting our energy toward finding solutions to those problems instead of talking about this terrible legislation which is before us now.

We should also be concerned about the involvement of women in private pension schemes. Women are in and out of the work force more often, change their jobs more often and are normally in lower paid jobs. Women are not in the work force for the same period as men. All these factors affect their retirement income. We certainly should be discussing survivorship, portability and vesting. These are the subjects we should be concerned with when discussing pensions in the House. We should not be talking about reducing indexing as a means to solve inflation.

I do not have to tell the Minister about the problems being faced by women under the OAS Program. There are 50,000 women who are under the poverty line and the Minister has publicly called it a national scandal. She is right. This legislation does not help that situation because it affects those people who have modest incomes. For example, it affects single people who have incomes of \$8,600 and married people with incomes of \$14,500. This means that approximately 35,000 pensioners will have their purchasing power reduced and will consequently qualify for GIS. The Minister herself has said that the GIS is a main support program for our elderly. It is a welfare program. Why should most of our elderly citizens be on welfare? It calls into question this Government's philosophy of what retirement income is.

We begin to have hope that the situation might change as a result of the Government's statements, but it does not follow its statements with action. For this reason we cannot afford Bill C-131. We cannot afford to break the contract which has been established between each generation whereby the following generation promises to look after their elders who have worked hard during their lifetime.

We should be discussing the shortcomings of the Canada Pension Plan. We are reaching a critical year, 1985, when the expenses under that Plan will exceed the revenues. What will happen at that time? What will happen to the people who have paid into the Plan and expect to receive a pension? By 1985, a few years from now, expenditures will exceed revenues. Inflation and unemployment may bring on this occurrence sooner because unemployed Canadians are unable to pay into the scheme. We will reach another critical year in 1993 when the expenditures under the Plan will exceed the revenues plus all the interest payments. We should be concerned with this dilemma instead of debating legislation to index the pensions of senior citizens who are in the lowest income scale and can least afford a cutback.