

*Supplementary Retirement Benefits Act (No. 2)*

present actions of the Government seriously erode and undermine these hopes. One of my constituents on one of the Gulf islands wrote to me as follows:

It is simply to remind those whom it may concern that as a civil servant I paid for an indexed pension out of my salary at the rate set by the Government and I had no choice. I did my part and feel I should be able to expect the Government, as my employer at that time, to come through with the pension as promised.

Furthermore, I retired six years before I reached compulsory age for retirement, thus providing a job for another individual. I did not have to do this—if the Government renege on their promise, do I get compensated for this, I wonder?

Of course he does not need to wonder, because there is no compensation. Another writer says:

If the trust and confidence which have protected the pensions of federal superannuates for a century are broken down on this occasion, what will stop the present Government or any future Government attacking pensions whenever they are short of funds? Don't change the rules of the game in the middle of the game.

I think that this writer, like others who have written to me and to other Members of this House, is right. He understands the basic situation. Here the Government is breaking promises, breaking contracts, and what guarantee do these people have that these contracts will not be broken again and again in the future?

The Chairman of the Victoria Organization for Indexed Pensions raised some interesting questions in a letter he wrote to me. He writes:

If our pensioners were paid from the pockets of the taxpayer, the legislation might have some validity. This, however, is not the case. Since 1924 the sums deducted from the pay of employees and the interest on their contributions have been greater than the total payout in pensions and indexing combined. Federal public servants have always paid for their pensions through a 7½ per cent deduction on their salaries. Even without the matching employer contribution, the plan is self-sufficient and multiplying at a phenomenal rate.

● (1115)

We public servants have willingly paid our high premiums over the years because we honestly felt we would receive a worth-while pension on retirement.

I say in conclusion, Mr. Speaker, that we oppose this Bill. The amendment is inadequate. The one-half per cent solution does not solve the basic problem. I urge the Government to withdraw this Bill from the Order Paper and, as our House Leader urged, get the committee out across the country to hear what the people have to say about it. Then the whole issue will be dropped altogether.

**Mr. Terry Sargeant (Selkirk-Interlake):** Mr. Speaker, I welcome again the opportunity to speak on this piece of legislation, Bill C-133. There is no doubt that this Bill is unjust. In fact, the Government's whole six and five program is unjust and that fact will not be changed by the Government's amendment to Bill C-133, such that the limits on pension increases become six and a half per cent and five and a half per cent for the next two years. The Government's whole six and five program is a snow job.

It has been shown time and time again that inflation is not the result of the incomes of working Canadians or the incomes of pensioners. In fact, incomes have fallen behind the rate of inflation for the last four years, so what is the purpose of the six and five program? It is to save the Government's political hide by creating the impression that something is being done

about inflation. At the same time it is to lead the way in attacking the incomes of working Canadians and of our old age pensioners, to free up more capital for the corporate brethren of the Liberals and Tories.

The Tories, those masters of political gamesmanship, have made a great show of opposing the six and five cap on pensions and Family Allowances. They know that to support what, in effect, amounts to pension cuts and cuts in Family Allowances is no way out of the political wilderness. How genuine is that opposition, Mr. Speaker? When the Government brought in the six and five program with its June budget last year, it was made all too clear that the six and five program would be more than just wage controls for Public Service employees. We knew then that the whole scope of this illusory anti-inflationary program would include a reduction in real pension incomes and Family Allowances over the next two years.

The Tories, anxious to gain the favour of their corporate bosses, eager to capitalize on the right-wing penchant for attacking Government employees, stood four square behind the Government's wage control program, and I suppose they reaped some good political mileage for doing that. When it comes time, though, to pay the price for that mileage, all of a sudden they have discovered a social conscience. The six and five program will mean a reduction, in real terms, for pensioners and for mothers. Now these Tories have found something they might be able to squeeze more mileage from. They decided to make a great show of their newly found opposition to the six and five program.

Last Thursday we saw just how far the Tories were willing to go in their opposition to capping Public Service pensions at 6 and 5 per cent. Our House Leader rose last Thursday to introduce an adjournment motion because he knew there was a chance to delay this Bill long enough to see at least one pension cheque go out with an increase which reflects the cost of living. But the Tories, who were only too eager to keep the bells ringing for 15 days last spring in order to come to the aid of their friends in the oil companies to ensure their profits, could not find their way to do something similar for old age pensioners. Fifteen days for oil company profits, Mr. Speaker. Fifteen minutes for old age pensioners. That is Tory priority for you. If they had stayed out for even a half an hour the pension cheques which will go out tomorrow would have been at the level negotiated by the Public Service employees and the Government. Half an hour, is that too much to ask? Instead, the Tories discovered a new desire to see Parliament respond quickly to the Government's desire to push through its legislation. I can only hope, Mr. Speaker, that the Public Service employees and pensioners, who were counting on strong opposition to this Bill which violates their agreement with the federal Government, have been able to see through the Tory posturing on Bill C-133.

● (1120)

The Government, with this Bill, is unilaterally breaking an agreement with its employees, the Public Service. More than