

groups across Canada are opposing. They are not opposing the Government's fiscal responsibilities, but the improper way it is dealing with the deficit problem.

[English]

Fiscal responsibility is a virtue. We agree with that. It is not a vice. The Minister of National Health and Welfare (Mr. Epp) seems to have turned into a Minister of Finance this afternoon and told us that we have to control the deficit. Everyone agrees with that. Where people disagree, where we disagree in the Opposition and where many more people disagree, more than the 40 of us and the 30 New Democrats, the thousands upon thousands of people, with the policy of the Government is when the Government asked the people who are the neediest to contribute to the reduction of the deficit. That is wrong. It is not the objective, not the goal, but the way, the means to do it. It is particularly wrong at a time when the Government has just shelled out a bonanza of \$2.5 billion to the multinational oil companies through the Western Accord. How can the Government do that on the one hand and then ask the people who can bearly make both ends meet to contribute to the riches and to reduce the deficit?

[Translation]

When the Government is giving a present to a small number of people in Canada—and statistics show that a mere 4 per cent of Canadians pocket approximately 75 per cent of capital gains realized each year in Canada—when the Government gives them a tax holiday on capital gains without any obligation whatsoever, without requiring that the tax thus saved be invested to create jobs, without ever asking them to show how such a tax holiday will serve the best interests of Canada, I say that we cannot in the same breath ask for a contribution from those who are the most in need.

And the Progressive Conservative Party knows that very well. During the last election—I have here a document issued by the Progressive Conservative party outlining . . . it is a press release put out after a Conservative caucus meeting held in Sherbrooke on July 26, 1984. Not only there was the commitment to restore full indexation of Old Age Security as of January 1985, not only that, but on the first page, I will quote a paragraph which clearly shows that the Progressive Conservative Party understood those who are the most in need in our society. I am quoting three lines only: "These statistics show that more than 60 per cent of single women and 40 per cent of single men 65 and over have incomes falling below the poverty line".

With their eyes fully open, the Progressive Conservative Members have decided to launch an attack against those in our society who are the less in a position to defend themselves. And this in itself is cowardly and ill-advised.

[English]

One thing promised was that this Budget would be tough and fair. At least one promise has been kept, but it has been kept in reserve. It is tough on the poor and it is fair on the well off. That is something we cannot swallow on this side of the

Supply

House. We will not accept it and we will fight for a long time. The Government will come to realize that we are not alone in this fight. We are here on the floor of the House of Commons just like a drum resounding what is being said on the streets of our nation. This Government has failed to recognize the difficulties of our older people.

This Government is asking for a sacrifice that our seniors cannot meet. This is the problem the Tories have to face. I am thankful the Minister of Finance (Mr. Wilson) has started to show flexibility. I am happy to hear him say that he might do something if financial conditions improve. He would be well advised to do that because he has no clue at this time about the way this movement could snowball across the country.

We are not scaring the old people. We are simply here delivering the message they are giving us on their behalf. They are not giving their message just to us but to Conservative Members of Parliament. They are probably also giving their message to the one independent Member of Parliament we have in this House.

As a matter of fact, let me outline what is happening within the Tory ranks. In the press this morning was the headline "Tory Backbenchers Battle Cabinet on Pensions". Let me quote a very respected Member of the Conservative Party, the former Minister of National Defence, the Hon. Member for Victoria (Mr. McKinnon). He is quoted as saying that senior citizens "don't like" partial deindexation and that he would like to meet the senior citizens who, according to the Minister of Finance, "like it or appear to be in favour of it". He continued by indicating that senior citizens "are not stupid . . . They know that if there's 4 per cent inflation, their old age pension benefits and Guaranteed Income Supplement for the most needy pensioners is not going to go up by 4 per cent". Also he indicated that the Government had not "proved to me that that's where they should save money", and added:

● (1750)

I'm biased about this, but I'm glad we have a couple of months to come to our senses.

I think he is right and, with the opening shown by the Minister of Finance, maybe the Government will come to its senses. The Hon. Member for Victoria is not the only one who has spoken out on this. Another Member in a completely different category, a new Member who does not have the experience of the Hon. Member for Victoria, the Hon. Member for York East (Mr. Redway), said:

I have had more telephone calls to my constituency office on this particular issue from senior citizens than I have had on anything else . . . since I was elected to Parliament.

That is clear enough. I understand the position of Hon. Members on the government side. I have sat on that side for years. I know it is not easy to stand and openly criticize the Government. I realize that. However, for God's sake, would it not be possible for discussions to take place within the Conservative caucus? Within the confines of walls, issues can be aired; Members can say what they have on their minds. They can tell the Minister of Finance that he has to do something