

*Supply*

much more vibrant. Research and development in the United States played a much greater role in the economic recovery because it was true research and development rather than the quick flip schemes introduced by the Liberals two years ago. Those projects produced almost no economic benefit and wasted \$2 billion of public money.

With respect to reviving the energy industry—

**Mr. Marchi:** Talk about the motion.

**Mr. McCrossan:** I am talking about the motion because it concerns the economic situation in this country and what we are doing about it.

One of our priorities was to bring about energy accords. Again, the Liberals used scare tactics about the rising price of energy as a result of these accords. Prices in my riding have touched down to 37.7 cents a litre since the Western Energy Accord. That is the lowest price in the last year and a half. The Liberals are simply trying to scare the consumer unjustifiably. The same tactic was attempted in the United States when President Reagan decontrolled oil prices there. The opposition there suggested that oil prices would increase continually.

**Mr. Nunziata:** Mr. Speaker, it is with some regret that I rise to interrupt the Hon. Member in the middle of his speech. However, it seems to me that the Hon. Member should address himself to the motion before the House. There must be some rule about relevancy.

He has been carrying on for some time about subject matters that do not pertain directly to the motion. It seems to me that the Hon. Member is somewhat apprehensive in terms of addressing the motion directly. We on this side of the House would ask him, rather than speaking about extraneous, irrelevant matters, to address himself specifically to the motion which reads:

That this House urges the Government to commit itself now to maintain the present system of full indexation—

I am sure that Hon. Members and Canadians would like to know where the Government stands on this particular motion.

**Mr. Deputy Speaker:** I believe the Hon. Member for York South-Weston (Mr. Nunziata) has made his point. If I understand the Hon. Member for York-Scarborough (Mr. McCrossan), he is trying to relate the general economic condition of the country to the matter of old age pensions. However, I would ask him to be as specific as possible in relation to the motion.

**Mr. McCrossan:** Mr. Speaker, that is exactly what I was trying to do. If the Hon. Member had let me go on for one more sentence, he would have seen that I was coming to the fourth point.

In analysing the Budget, we came to the same realization as did the previous Government that the full cost of living indexation for all government expenditures and all tax deductions led to a systematic increase in the real deficit of this

country. There have been a number of private economic organizations that have developed estimates of just how much this problem has built up in the last four years. Those estimates indicate that up to \$10 billion of our \$35 billion deficit is due to overindexing, which is the combined indexing of all benefit expenditures and all government tax exemptions.

We have begun to address that problem by fixing the pension system as the previous Government neglected to do. In his Budget, the Minister of Finance has taken decisive steps. The first step is to correct the private pension system so that future problems will not develop to the same magnitude as they have today. For example, in 1980 a number of reports from the House, the Senate, Quebec and Ontario recommended that last survivor pensions in the private sector be made mandatory. The previous Government did nothing about those recommendations. For five years it did nothing. We had five more years of people retiring without protection, without spouses having the protection that almost everyone recognized they should have from our pension system.

● (1230)

By 1980 we knew that our vesting requirements were completely inadequate, that women particularly were losing out on their pensions and were going into retirement without adequate income because their pension provisions were not being protected. That consensus was there by 1980. But that Party did nothing about it. It did nothing about ensuring that women in the workplace have eligibility for pension plans whether they were full-time or part-time workers. We changed that in this Budget. The previous Government did nothing to protect divorced women, with the increasing rate of divorce, to ensure that they could keep pension credits in retirement. We changed that in the Budget by bringing in credit splitting on divorce.

**Ms. Mitchell:** For how many women?

**Mr. McCrossan:** We brought in unisex provisions in this Budget to ensure that women, particularly the ones with problems concerning pensions, have full protection.

**Ms. Mitchell:** All women?

**Mr. McCrossan:** That contrasts with the previous Government's record of no action whatever in the area of pension reform in the private sector since 1976.

In this motion the Liberals condemn our Government for partial indexing of pensions since—

**Ms. Mitchell:** Mr. Speaker, I rise on a point of order. In order not to mislead the general public watching the Hon. Member, would he clarify that it is only women in the federal jurisdiction who will be affected—

**Some Hon. Members:** Sit down.

**Mr. Deputy Speaker:** Unfortunately, I do not consider that to be a point of order.