

Supply

Mr. Boudria: I thought you said a minute ago there was no reduction.

Mr. Duguay: Senior citizens have acquired a great deal of wisdom through their years. They know that the Government of Canada provides health and welfare benefits and transfer payments which go to other services which they use. Canadians know that this is a contribution that they are being asked to make for the benefit of their country, and I hope they will not be fooled by the fear tactics that I have seen in the House and before the press.

[*Translation*]

Mr. Harvey: How refreshing it is to listen to one of our colleagues, Mr. Speaker, especially when it is the Hon. Member for St. Boniface (Mr. Duguay) who has clearly perused the Budget Speech, or at least the part we are dealing with now. I find it most unfortunate and deplorable that members of both the Official Opposition and the New Democratic Party should seize this opportunity to revive this period of the election campaign when they spread a wave of panic among our senior citizens who came to fear that the coming to power of a Progressive Conservative government would mean major cuts to their Old Age pensions.

Mr. Boudria: How right they were!

Mr. Harvey: Nothing of the sort has happened. What we should tell our senior citizens is that if the government does not get this country's deficit under control, all social programs will suffer, and that senior citizens will not be penalized in any way by the recent budget. Quite the contrary! The government will achieve deficit control by dealing with the 400 Crown Corporations which were created and poorly administered by the Liberals. That is where the Government wants to step in. I am convinced, Mr. Speaker, that what is going on at this time is very serious because all rationality is taken out of the Budget Speech. If it were possible, those people would make projections up to the year 2000. It is very serious! No one can predict what the inflation rate will be in 1988, 1989 and 1990. What we should tell the senior citizens is that their pensions will continue to increase gradually, unlike the sectors of Government spending most affected by the cut-backs.

The Acting Speaker (Mr. Charest): Questions and comments are now over. The Hon. Member for Saint-Jacques (Mr. Guilbault).

● (1740)

Mr. Jacques Guilbault (Saint-Jacques): Mr. Speaker, I am also happy to make a modest contribution to the debate during this allotted day, and I would like to begin by congratulating the Hon. Member for Beaches (Mr. Young) on having introduced this motion, since it allows us to pursue the discussion of this issue in the House. What our friends opposite do not seem to realize, Mr. Speaker, is that the debate on the deindexing of

old age security pensions has extended outside the House of Commons and that, whatever may be said in this place, it is impossible to open a newspaper, to listen to the radio or to watch television without reading or hearing comments by groups who are shocked at the way senior citizens are being treated by this Budget. The motion of the Hon. Member for Beaches therefore gives us an opportunity to do in this House what everyone else is now doing throughout the country.

Mr. Speaker, I find this Budget unfair and immoral in its treatment of senior citizens. A short while ago, the Hon. Member for St. Boniface (Mr. Duguay) told us that, in discussing this issue today, we were trying to scare people, but I must tell him that matters have reached another point because senior citizens are no longer afraid. Perhaps they were scared before the Budget was brought down. Now, it is too late to be afraid, the damage is done and senior citizens will suffer. The time for fear is past. It is now time for senior citizens to grieve and to fight. Do not accuse the Liberal Party of Canada of spreading fear! Senior citizens are well aware of what is happening to them. You can read it everywhere! Go to your constituencies! Some of you Conservatives have already been quoted this morning in the newspapers as reporting the message you received from senior citizens in your riding. Senior citizens realize that they will be losing money even though the previous speaker would have us believe they would not. It is quite simple. Indexing will be reduced by 3 per cent next year. Everyone knows that there will be some inflation. It is obvious that this will mean less purchasing power. It is quite clear.

The Hon. Member for Kamloops-Shuswap (Mr. Riis) said that, from what he could figure out, the cumulative loss in the purchasing power of a senior citizen would be \$1,447 during the next few years. It is interesting to note that, by a strange coincidence, the Canadian Press, which made its own calculations, concludes that the loss in the purchasing power of senior citizens during the next five years will amount to \$1,500. This does not come from the Liberal party or the New Democratic Party. These figures were arrived at by the Canadian Press. And if Hon. Members opposite would do their own calculations, they would come up with very similar figures.

The \$1,500 amount figured out by the Canadian Press assumes a mere 4 per cent rate for inflation over the next few years. But we all know that inflation may, and unfortunately will probably exceed 4 per cent. What this boils down to is that senior citizens are being treated in an immoral, and again unfair way. What we find unfair is that this Government is asking those who are most in need, those who in our society have the least to contribute to reduce the deficit. When the Government says that the deficit must be reduced, I think that everybody agrees, not only in this House but all across Canada. But I would like to see how the Government would go about trying to convince senior citizens, who are in dire straits, that they must share in reducing the deficit. This is what we are opposing. This is what an increasing number of social