

between the level of those benefits and the corresponding level of earnings. While we intend to increase all benefits by what we expect the RPI to have risen by November 1982, that is by 10 per cent, we have decided not to make good the shortfall on short term benefits against inflation in the year ended November 1981. The effect is to save some £65 million - £65 million in the context of a total increase of £2.5 billion. It simply does not carry conviction when H.M.S. opposite strain at the gnat while ignoring the camel.

[I fully recognise the weight of opinion expressed in the House about the need particularly to protect the poorest, those on Supplementary Benefits. And, taking account of the views expressed in the Debate last week, and after discussion with my. rt. hon. Friend. the Secretary of State for Social Services, I am happy to inform the House that supplementary benefits at the long-term rate will be uprated by 10 per cent and the additional 2 per cent, as for all other long term benefits. I am sure, on reflection, that this is right: the 2 per cent short-

/fall should apply

fall should apply only to genuinely short-term benefits, and I am grateful to the Hon Members on both sides of the House who have brought to notice the anomaly ^{interest} ~~interest~~ in our initial proposals.]

But measures to restrict some increases on short term benefits have another purpose too. The most costly and most important commitment in the whole social security programme is the undertaking to maintain the real value of retirement pensions. Despite the formidable need to restrain the growth of this programme, that is a commitment we have been determined to fulfil. It is because of the high priority which we give to it that we have to look for savings elsewhere.

In fact, retirement pensions have been fully price protected. They will be higher in real terms in November 1982 than they were in November 1978. That is in sharp contrast to the way in which pensions were treated by the party opposite. The House will remember, as the pensioners certainly do, though Hon

/Members opposite