

Public Sector Compensation Restraint Act

economic problems that Canada faces. They want to see this government do something concrete, not just another PR job.

That is why we sat here throughout July after the government introduced this bill at the end of June, and will be sitting here some time into August. It is because this bill is not only unfair and allows the government to break its word with its workers, but it will do nothing to help Canadians pay their mortgages. It will not help Canadians keep their small businesses. It will not help those Canadians who have to leave the resource communities in northern Canada because they have lost their jobs or their homes. It will not improve the economic situation or solve the personal hardships faced by Canadians.

That is the reality of this bill. That is why we cannot support it and will do everything we can to make sure the bill does not pass.

The Acting Speaker (Mr. Blaker): The Chair will obviously recognize the President of the Treasury Board (Mr. Johnston), but it is one minute to one. He might want to start his remarks at two o'clock, rather than now.

Mr. Johnston: I will call it one o'clock, Mr. Speaker.

The Acting Speaker (Mr. Blaker): Order. It being one o'clock, I do now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

The Acting Speaker (Mr. Blaker): When the House rose at one o'clock the hon. President of the Treasury Board (Mr. Johnston) was about to rise and cut my salary! Over the lunch hour I gave some consideration to what might be done about that, but in recognition of the impartiality of the Chair and with some misgivings, the Chair again recognizes the minister.

Hon. Donald J. Johnston (President of the Treasury Board): Mr. Speaker, I rise to speak to the amendments to Bill C-124 which were grouped by the Speaker and ruled upon earlier. I listened with interest to the comments of the hon. member for Churchill (Mr. Murphy) who, I suggest, restated much of what we heard in committee.

I should like to speak briefly to one point that he made, however. He emphasized and re-emphasized that in his opinion and in the opinion of his caucus and party, the program would not work. I should like to infer from that that if he thought the program would work, he would support it. We on this side of the House and I believe many members on the other side believe that this program will work. Not only do we believe it will work, but we are dedicated to making it work. That is the spirit I should like to see among our friends in the New Democratic Party.

The hon. member also made a few cynical remarks—perhaps they were not cynical—about some of the major companies such as CPR and others, which I find difficult to accept when we know full well the liaison that exists between

that party and Mr. McDermott. I should like to hear from the hon. member for Churchill and from Mr. McDermott. I should like to know what the hon. member for Churchill thinks about this program. I should like him to stand up before some of his constituents and explain why it is necessary that this program work in the interests of all Canadians.

Not only do I say that we are convinced the program will work, but clearly it is already working. I have seen a list, which I do not have with me, of company after company after company which has said it is going to abide by the program, I have seen the reaction of other provincial Premiers. I have seen what happened in British Columbia just this week, and so has the hon. member for Churchill. We have seen what happened in New Brunswick. We have even seen the statements of some union leaders who have been supportive of a restraint package of this kind.

Bill C-124 is intended to provide compensation restraint mainly in that part of the economy directly under the control of the Government of Canada, either in its capacity as employer or in its capacity as owner. Such a measure recognizes the need to exercise restraint in a time of considerable fiscal difficulty. More importantly, it recognizes the need to provide a strong, clear signal to the economy in general that this element of our cost structure must be restrained. It must be restrained if we are to reduce inflation and maintain our competitive trade advantage.

Bill C-124 is a very serious measure placed before the House by the government only after considerable and thorough deliberation. It is a measure designed to restrain compensation only in those organizations to which it applies.

● (1410)

At the same time, as I will point out in the course of these brief remarks, it is not a one-sided measure. Bill C-124 will limit compensation increases over the two years of its application, yet it does contain provisions allowing wage rate increases to take place. It does restrict bargaining and the right to strike; however, except for parliamentarians and some others who will be affected by an amendment which I will be moving, it does not reduce wage rates or take away terms and conditions already in place on June 29, 1982. It goes further by ensuring that those terms and conditions which were freely arrived at between the parties through the collective bargaining system will be continued, thereby ensuring the continuing functioning during the course of the program of many important aspects of union-management relationships.

During the course of the examination of the bill in the House, during the proceedings before the Standing Committee on Miscellaneous Estimates, and as a result of representations by both labour and management, several important changes have been proposed which would improve the functioning of the bill. I would like to take this opportunity to thank all those who have made representations to us, and I include members