

Anti-Inflation Act

The first of these reasons is that only the Minimum Wage Commission or the Minister of Labour has the authority to proclaim such an increase and that the government has taken no decision as yet. That is not a sufficient reason, Madam Speaker. If the government has the authority to enact a minimum wage, it does not have to beat around the bush and consult everybody. It can determine the minimum wage on the basis of current economic indexes supported by statistics.

The second reason put forward is that since the Commission was not formally authorized to enact such an increase, nobody could do it after the necessary consultations with the industry and the unions.

Madam Speaker, it is the same as saying that someone is responsible for the minimum wage without knowing who he is. So, let us try to find out who it is, and then we can do the proper consulting. Can a responsible government behave this way in an economy in which the wage earner's purchasing power governed by a decree is constantly gnawed away by inflation?

To my mind, Madam Speaker, such a statement is proof of irresponsibility. A third reason was given, namely that the Minister of Industry, Trade and Commerce (Mr. Jamieson) intervened pretexting that a 32-cent increase would have a bad effect on the industries governed by the decree.

Now, Madam Speaker, what industries fall within the jurisdiction of the minimum salary decree? They are mainly the sewing, clothing and shoe industries. They are also the food, confectionery industries, and those which transform food products in one way or the other. And generally it concerns all the employees, all the smaller industries with a market which is restricted to a given province or a given territory.

Therefore, Madam Speaker, if we are to help more these industries thrive in competitive markets, it is not by making the wage earners of these industries bear the burden that we will succeed in reinforcing the structure of the Canadian economy.

Rather we will succeed in improving their output by turning directly to the structure or to the components of these industries, to their competitive position, to their competitiveness, to their productivity. We will not succeed directly in improving their competitiveness by freezing the salaries of the wage earners in these industries.

Of course, Madam Speaker, one could allege that by increasing immediately the wage scale of the workers in this group we could add to inflation. Madam Speaker, for a family of five, with three children and two spouses earning \$6,850 a year, even if you add to this \$500 a year it is hardly enough to meet the bare necessities. There is no inflationary effect as a result of the demand, when one family is simply allowed to meet its basic needs, such as lodging, food and clothing.

Instead one should look for the inflationary effect in higher categories with annual incomes of \$24,000 or more. Now what do we find out in these categories? We find out that the authorized increase will be about \$2,400. Obviously, the Minister of Finance has remarked that the tax measures will allow the treasury to recoup a substantial amount of that \$2,400 rise.

[Mr. Joyal.]

Madam Speaker, let us look at the tax tables to see the amounts allocated to public funds. In 1974, the Quebec provincial income tax was putting only 42 per cent of that \$2,400 increase back into the coffers of the province, which means that a salaried man or a professional with an income of \$24,000 would still be in a better position than the wage earner whose salary is below the poverty line.

And, Madam Speaker, I agree fully with the Minister of Finance that it is not by overtaxing salary increases per se that we can get to the root of inflation.

The Minister of Finance was right in making the proposals he did, but the recommendation which seems to me essential at this point is the one which aims at limiting those increases in the comparative scale to the salary level of workers whose earnings are below the poverty line.

Therefore, Madam Speaker, I hope that the minister who, tomorrow or the day after, will have the opportunity to meet the provincial ministers, will ask them to reconsider their whole attitude towards those workers who are governed by the ruling on minimum wage, so that those wage earners may at least benefit from the increases which the legislation provides.

Moreover, Madam Speaker, I think that even if those raises could be granted to wage earners, they would clearly remain below the average minimum income for those families.

The Minister of National Health and Welfare (Mr. Lalonde) has already advised the House in previous months that he is working on the development of a guaranteed annual income scheme and to my knowledge, every member in this House is deeply interested in the implementation of such schemes. How could we now be satisfied when the wages of those under the poverty level will be definitely frozen, while union members who can resort to the usual bargaining powers will still obtain the raises allowed under that bill?

I think that during the next few days, we should make a special effort to make every member realize that the consequences of that bill should be equitable for all. Unfortunately, during the past years, we have noted that the forces exercised on the market have not always given the anticipated results.

There are several pieces of legislation which the House is willing to consider and adopt. They must be applied without delay. I feel it is necessary for the Minister of Finance to contact his colleagues as soon as possible and realize that the co-ordination of public expenses has become an imperative of our political structure. He must also realize that all wage earners covered by the minimum wage provision cannot be satisfied with the wage freeze as it now exists. They are even worse off than our public service employees.

It is recognized within the salary scales which appear in the bill that public service employees will be at least entitled to this increase, even if it is greatly below what they were asking for. On the other hand, when the time comes to deal with wage earners, with the 500,000 Quebec workers covered by the minimum wage provision, they say: "You will not get more than \$2.60 an hour." In my opinion, this demonstrates a serious lack of social justice and I truly doubt that this policy is clearly reformist.