• (1530)

When you look at more detail, say on the example from Newfoundland, on April 16, 1991, the government there passed the Public Sector Restraint Act which provides for no financial improvements to either salaries or benefits. We are looking at just the salary here, but they did it for both for the 1991-92 fiscal year. All salary increases which were due to occur during the financial year of 1991-92 were cancelled, even though they had agreements with those bargaining units. So that is what they have done.

Nova Scotia, in its budget announced on May 14, calls for a two-year freeze on wages of provincial employees and affects collective agreements which expire in the fall of 1991. So that affects some of the agreements as they come to a close and then it is a zero followed by another zero.

These are two examples, plus the other four that I gave of six provinces and the federal government, who are all following one direction of a zero per cent freeze, some for one year, some for six months, some for two years. So that is the one alternative.

Then there is the other route chosen by the NDP Government of Ontario which the federal NDP has endorsed. The NDP government in Ontario increased its program spending this year to the tune of 13.4 per cent. We, of course, brought in legislation to cap it at 3 per cent for the next five years and we have been running at 3.7 per cent for the last six years. The Ontario NDP government's present wage bill is increasing at 14.5 per cent. In its last budget it increased its annual deficit by 300 per cent.

So there is the one route that the Ontario government is following. That route was tried here in Ottawa from 1980 to 1984. In fact, we can compare this month today to 10 years ago and we can compare August going back to 1981. Look at a few figures here. Inflation in August of 1981 was 12.9 per cent and rising, whereas today it is 5.8 per cent and falling. The prime interest rate 10 years ago today was 22.75 per cent and rising, whereas today it is 8.7 per cent and falling. The unemployment rate 10 years ago was 12.8 per cent and rising, now it is 10.5 per cent and falling.

It is important to note that there have been settlements with Treasury Board and the bargaining units with Treasury Board that have respected the wage restraint program of the budget and several bargaining units. Let me give just a few examples. Two groups, the engineering and land survey group and also the physical sciences group, have ratified settlements that date back to September 1, 1990 and June 16, 1990 respectively. In those two they agreed to a 4.5 per cent for last year, zero per cent for this year and then 3 per cent following. So they are abiding by the zero and three announced in the budget. The physical science group is the same, 4.5 per cent, then zero, then three.

The translators have just come to an agreement and they are accepting 4.7 per cent for last year and are now in the zero per cent for this year and 3 per cent following.

Since the February budget, the air traffic controllers settled for 4.5 per cent last year, zero now, followed by three and three. The ships' officers settled for the same.

The PSAC, are at 4.2 per cent from last year and we are now asking them to accept the zero and the three program which others have concluded in various agreements with the President of Treasury Board.

Other points have been raised. One of the questions raised or points made by some in the media and even some here in the House, although I am amazed that anyone here in the House would dare to do it because the facts just do not bear it up, comparing MP's salaries and those in the Public Service.

Between 1984 and 1990, salary increases for MPs totalled 17.6 per cent. That is compared to inflation, which rose by 29.6 per cent. Wage increases for public servants, over the same period, rose by 25.5 per cent. In the public sector, salary increases over that period went up 29.6 per cent. So in all cases MPs are at the bottom of that list, not at the top, as some are suggesting.

The wage restraint policy announced in the February budget will further restrain salary increases for MPs. MPs are not asking public servants to accept anything that they are not prepared to endure. The bottom line is that MPs are going to be treated exactly the same as public servants. We will have to go into the zero for our next year which begins on January 1, 1992. For that year our increase will be zero. So we will be in exactly the same program.

Nobody has referred to something that happened historically. In 1985 the Prime Minister demonstrated leadership by accepting and putting into a budget a 15 per cent pay cut for himself, a 10 per cent for all cabinet ministers and then all MPs received a $1,000 pay cut. Nobody is talking about those things. Everybody conveniently ignores all of that. The truth is that the exact