

The second part of the bill to which I wish to refer is the part that amends the Salaries Act. Clause 14 of the bill provides for a reduction in the salary of the Prime Minister and clause 15 provides for a reduction in the salaries of the other ministers.

I drew attention to this in the committee and I asked: "Are we making a mistake?" We all recognize that the purpose of these freezes and reductions in ministerial pay is to let the people see that the Prime Minister and the other ministers are sharing in the hardships the people are suffering.

• (1720)

But how far can we go? At some point — I think Mr. Mazankowski in his testimony was prepared to recognize this — we reach a point at which we will be recruiting people and retaining them in public life primarily by reason of ambition. They and their families will have to make major financial sacrifices to pay for their ambitions.

Of course, a point will be reached at which some people will say, "Look, I have done enough. I'm getting out." The result will be that we will lose competent people and the country will suffer. For a total saving of, perhaps, \$100,000 — the saving achieved by this bill — we make it difficult for people the country needs to remain in public life.

Mr. Mazankowski agreed with that line of thinking in general, but he said that we have not reached that point yet in Canada. He told us in his testimony:

I should say, one of the best kept secrets around this place is the fact that Members of Parliament and cabinet ministers have subjected themselves to a number of wage cuts or freezes. I think this is about the sixth one.

Prompted by that, I asked for information showing the various freezes and cuts. It turns out that he was about right. There have been eight freezes or cuts, starting from the November 1984 economic statement. The Treasury Board has provided the National Finance committee with a table showing the results of each of these freezes and cuts, down through the period to which the bill with which we are now dealing applies, 1993 to 1995.

I should like to read what Mr. Mazankowski said. He was dealing with my argument that these freezes and cuts may not be wise policy. Freezes and cuts seem to be a settled tactic of the government. They first used it in the fall of 1984. They have done it again and again since then. They have said to the people of Canada, "We are bringing in measures which we expect may cause some pain, but we, the Prime Minister and his colleagues, are sharing in that pain." Let us call that a public relations tactic. I do not think it is intended to save money because the amounts of money involved are not great.

This is what Mr. Mazankowski said:

I suppose there is a point which you cross over where you may discourage people from entering public life and participating in the process. I am not sure that we have reached that. I will take your admonition and refer it to the appropriate authorities.

Honourable senators, look at the information provided by Treasury Board. I was surprised when I saw it. I thought that I would see that ministers' salaries and expense allowances, that is, expense allowances paid to them as members of the House of Commons — I am excluding Senator Murray here, for the sake of simplicity —

**Senator Murray:** Who is a very frugal minister.

**Senator Frith:** "...for the sake of simplicity" were the words.

**Senator Stewart:** I thought I would see that they had had minimal increases over the years and that the figures would be a glaring demonstration of how ministers have been compelled to tighten their belts.

However, that is not what the figures show. For example, notwithstanding the freezes and cuts, the Prime Minister's salary went from \$52,900 to \$73,600 between 1985 and 1991. He will be cut back from \$73,600 to \$69,920 by reason of this bill, so it is not as savage a restraint as the rhetoric may suggest.

In the case of the other ministers, their salaries went up from \$37,500 to \$49,100 in 1991. They will now be dropped back to \$46,600. Again, it is not as savage a belt tightening as I had expected.

They are, of course, eligible for the sessional indemnity. That has gone from \$54,600 in 1985 to \$64,400 in 1991, at which level it is to remain through 1992 and 1993-95.

Then, of course, there is the tax-free expense allowance. According to Mr. Mazankowski, this is the only expense payment made to ministers as members of the House of Commons. What the figures show is that the payment on account of expenses incurred as members of Parliament has gone from \$18,200 to \$21,300 for ordinary constituencies.

**Hon. Lowell Murray (Leader of the Government):** Over what period was that for, senator?

**Senator Stewart:** That is from 1985 to 1991, and it remained constant at that level in 1992. It will remain constant at \$21,300 for 1993-95.

This information has been provided to the National Finance committee and will appear in the records of the committee.