

*Government Orders*

peacekeepers, scientists, postmen and postwomen, grain inspectors, trade negotiators and on and on.

The purpose of this list is not just to catalogue the jobs that government employees do but, more important, it illustrates the real and substantial value of these jobs. The people of Canada are getting a good deal from the people who serve them.

Public service employees have long accepted the notion that although they would never get rich working in the public service, they would at least feel more secure in terms of job security than perhaps in some other sectors.

The main source of employment security for our employees is this government's policy to preserve jobs for Canadians. The main instrument of this policy in the public service is the workforce adjustment directive. In essence this directive says that no employee will be laid off because of reductions in the workforce unless he or she has received another reasonable job offer, provided the employee is mobile and willing to be retrained where necessary.

The previous government made it clear that its intention was to legislate unilaterally an end to the employment security features of workforce adjustment. It was saying to affected employees that it was only a matter of time before they would be out the door. Remember that phrase pink slips and running shoes?

Mr. Speaker, I am sure that you can realize the effect that this would have on the morale of the public service and its capacity to deliver quality service to Canadians. That is why the government will make no changes to the employment security features affecting workforce adjustment without agreement of the public service unions. In other words, it is subject to negotiations. They may want changes, we may want changes. We are not going to act unilaterally as the previous government had suggested it would do.

This government has no dogma about downsizing the public service. Our priority is and will continue to be to provide quality service to Canadians in the most efficient way possible. Of course some departments will shrink, others may even grow.

[*Translation*]

Our objective will therefore be to help employees affected by the cuts in some departments to obtain another position in the public service or elsewhere. Specific measures are provided for this purpose.

[*English*]

First, we shall continue to limit external recruitment and improve the management of the priority staffing process for employees whose positions are being eliminated.

Second, we shall ensure that departments have access to the incremental funds that they need to train for new jobs those employees who are affected by the workforce adjustment. When departments have additional training requirements because of this program the Treasury Board will provide central funding to complement departmental budgets for that purpose.

I would like to turn to the measures in this bill and explain their origins. The measures are a realistic combination of two elements. First, the budget recognizes that it is necessary for the attack on the deficit to book savings from the operating funds of departments through a wage freeze.

Second, it creates an opportunity for public service managers and employees to find more efficiency savings in an effort to shorten the duration of the wage freeze. Bill C-17 extends for a further two years the wage freeze for the Governor General, the lieutenant governors, federally appointed judges, members of Parliament and senators, members of the armed forces, RCMP as well as the employees of the public service. Why are we freezing salaries and suspending pay increments? Why are we taking these measures when the existing freeze still has another year to run? Public service employees deserve and need the answers to these questions.

• (1030)

The Minister of Finance gave the most evident and compelling reason for the freeze in his budget address. Simply put, there is no money for increases. The total salary costs of the government amount to \$18.5 billion, thus making salaries a very important part of federal expenditures.

Though the government would rather proceed by negotiation than by legislation, I am convinced there really was not a reasonable alternative. In my consultations with our unions—and I did have prebudget consultations; other people engaged in them as well—they made it absolutely clear they had no interest in negotiating concessions. I understand that point of view.

If we had waited until the 1995 budget, a year from now, several bargaining units would have already been eligible to start negotiations and could have been off seeking third party arbitration by that point in time. Rather than let those processes begin under false premises we decided, albeit most reluctantly, to act this year in the budget and in this bill.

Bill C-17 also suspends normal pay increments. These increments, which are the pay increases automatically awarded to employees as they gain experience in new jobs, are common in both the public and private sector. We have chosen to suspend them because they were allowing a substantial number of public service employees to continue to get pay increases while their colleagues' salaries were frozen. The freeze on increments will put everybody in the same boat for the next two years. At the