

P.C. 6702 of August 26, 1941. This order in council sets out a regulation or provision concerning the payment of cost of living bonus to employees of the public service. Clause No. 18 in this order in council gives to the treasury board the power to make regulations not inconsistent with the provisions of the order in council to cover any matters that have not been covered by the order in council. Under that authority the treasury board on October 23, 1941, passed minute No. T-212473-B, the pertinent part of which is as follows:

In the case of employees paid on the basis of prevailing rates, where there have been increases in prevailing rates since August 1, 1939, bonus shall be payable on the basis of present total compensation, but there shall be deducted from the amount of the bonus, the amount of the increases in prevailing rate authorized for the class since August 1, 1939.

The reason why I made some further investigation of this matter and eventually secured this material was the fact that I took up with the Minister of National Defence for Air the case of a group of employees at No. 7 equipment depot of the Royal Canadian Air Force in Winnipeg who went through the experience of being awarded a cost of living bonus and then having a portion, if not all of it, taken away on this basis. It was some considerable time before we could find out just why it had been done. First, it was thought it was the Department of National Defence for Air that was responsible, and then it was thought it was the Department of Labour. For a long time we did not know who was responsible. I took the matter up in the house with the Minister of National Defence for Air and he could not believe that this had taken place, but in the course of time it was run down.

Mr. ILSLEY: The effect is to charge against the cost of living bonus any wage increase after August, 1939.

Mr. KNOWLES: So far as I can find out, that does not apply to employees in the public service other than those on prevailing rates.

Mr. ILSLEY: The other employees have not had their rates increased.

Mr. KNOWLES: The rates applicable to these different groups are in different amounts. In many instances the prevailing rates, particularly in the case of the employees to whom I refer, day labourers, were adjusted by provincial law in Manitoba. Some time later that law was changed and the bonus was literally taken away from them. It has the effect of regarding the prevailing rate or the minimum rate as a fair rate.

[Mr. Knowles.]

Mr. ILSLEY: I do not know that this is the way to leave it, but I shall look into the matter. That is probably all the hon. gentleman wants me to do, but I cannot just let it go at that. The whole scheme of the cost of living bonus for the civil servant was to give him what he was getting in August, 1939, plus a cost of living bonus since then. Some civil servants have had their rates of pay changed, and in order to pay them on a comparable basis with the other civil servants, you have to charge against the cost of living bonus the increase in wage rates that has taken place after August, 1939.

Mr. KNOWLES: These people are not civil servants; that is, they are not classified under the civil service commission.

Mr. ILSLEY: That is different. The hon. gentleman said we were not doing that with the rest of the civil servants.

Mr. KNOWLES: I am sorry if I got off on the wrong track. These are employees of the public service, but they are paid prevailing rates; they are not within civil service classifications. Their situation is really more comparable with that of industrial workers. In the case of industrial workers there have been cases where the original wage rate has been adjusted and then a cost of living bonus applied after that.

Mr. ILSLEY: But the cost of living bonus may not have been the full cost of living bonus; it would be a cost of living bonus paid after the adjustment of the wage rate.

Mr. KNOWLES: It is possible for industrial workers outside the public service to make application to the regional war labour boards to have a matter like this considered, but these people are neither one nor the other; they are not civil service employees nor are they people outside the public service. They are prevented by this minute of the treasury board from getting any consideration or adjustment.

Mr. ILSLEY: Were the wage rates raised after November 15, 1941?

Mr. KNOWLES: I cannot recall.

Mr. ILSLEY: If the hon. member is comparing them with industrial workers, a lot will depend on that, and if he is comparing them with civil servants, they are being treated just the same as civil servants. The order in council deals with the whole public service.

Mr. KNOWLES: I shall not take the time to press it further. I would appreciate it if the minister would look into it.

Item agreed to.