admiration for the work done by our armed forces, not only—

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but it being ten o'clock we must proceed to the adjournment motion.

• (2200)

## PROCEEDINGS ON ADJOURNMENT MOTION

[Translation]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

## PUBLIC SERVICE—REMOVAL OF NORTHERN PAY ALLOWANCES—MINISTER'S POSITION

Mr. Charles Lapointe (Charlevoix): Mr. Speaker, further to the question I put on November 20 last to the President of the Treasury Board (Mr. Chrétien) concerning the removal of the special allowances to federal civil servants on the north shore, I should like to give additional information to my hon. colleagues and the President of the Treasury Board in this regard and, in return ask the latter to enlighten me on that decision which strikes me as unjust, not only for the 800 civil servants on the north shore, but also for the population in that area which extends from Forestville to the eastern part of my riding, and encompasses as well the larger part of the riding of my colleague from Manicouagan (Mr. Blouin).

I should like to add, Mr. Speaker, that the same problem exists in Skeena, in the Prince Rupert area, in British Columbia.

In his reply to my previous question, the minister had advised me that the decision to abolish pay allowances had been taken following recommendations by the Joint National Council, which comprises representatives of both the Treasury Board and Public Service Alliance. I accept this explanation, Mr. Speaker, but I feel that this decision, no matter how it was reached, is hardly acceptable to those who must live in an area where they cannot readily obtain all essential services and where the cost of living is 12 per cent higher than in the nearest major center, namely Quebec City.

Mr. Speaker, I should like the President of the Treasury Board (Mr. Chrétien) to take into consideration the fact that all specialized services are not available to us on the north shore, for instance in the area of health, and that the people must travel to Quebec City or Chicoutimi to see a specialist. Such is also the case in the area of education where local general or technical training schools offer only a limited number of options. In many cases, parents must send their children away to continue their education at the secondary level, and in all cases at the university level.

## Adjournment Debate

Moreover, Mr. Speaker, I would like to mention briefly the fact that private companies of this area provide an additional amount for their employees, either in the form of special allowances or in the form of higher wages, and even both in some cases, to allow them to face more adequately the higher cost of living in the area.

The same applies, Mr. Speaker, to the employees of the Central Mortgage and Housing Corporation, who receive a special allowance of \$728 if they are single and \$1,044 if they are married. Bank employees also receive a similar allowance of approximately \$900 a year.

I wanted to give all these details, Mr. Speaker, to show that there is a danger that the federal public service will have difficulty in the future in hiring people as able as the present employees because it is quite possible that north shore staff will ask to be transferred to another area or seek employment in the private sector.

In closing, Mr. Speaker, I would like to emphasize the urgency of this problem, because if it is not solved quickly, the population of the area may soon not have any federal services.

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, I am taking note of the remarks of my hon. friend who has spoken about a problem that I consider serious. It would perhaps be appropriate to say a few words about its history.

The special allowances granted to public servants in that area, as well as those for employees on the north shore of British Columbia, were created several years ago because of existing conditions at that time. However, in 1969, the Treasury Board referred the problem of isolated positions in Canada to the Joint National Council, which includes representatives from the unions and the management, which I myself represent.

The Joint National Council studied the problem and tried to establish criteria determining the conditions under which public servants working in isolated areas should receive isolation allowances. They defined minimums and reached the conclusion that wherever the cost of living was not 20 per cent over that of the area closest to the point of arrival of supplies, there was no need to grant the special isolation allowances which were established in the Skeena riding and on the Quebec north shore to solve problems in those areas that were experiencing unusual development quite a number of years ago.

This is a very difficult situation both for the union and ourselves, because the problem has been under study since 1969 and the Joint National Council made its decision more than a year ago, long before I became President of the Treasury Board.

I can understand clearly that in Sept-Îles, Baie-Comeau and some areas of the constituency of my hon. friend and of the hon. member for Manicouagan, hiring conditions may be better in the private sector than in the public one. But collective bargaining provisions at the government level make it possible to negotiate regional rates that meet those needs.

We have done so in other areas, and I can see no reason why we might not, as the collective agreements of the civil servants in that area are being negotiated, introduce