

Salaries Act

the next election, be entitled to an annual allowance, and if he should ever be re-elected again, the allowance would be suspended until he ceased to be a member again and therefore, he would have no problem of electing to pay for prior service.

Motion agreed to and bill read the third time and passed.

NORTHWEST ATLANTIC FISHERIES

MEASURE TO IMPLEMENT INTERNATIONAL CONVENTION

Hon. James Sinclair (Minister of Fisheries) moved the third reading of Bill No. 251, to implement the international convention for the northwest Atlantic fisheries.

Motion agreed to and bill read the third time and passed.

TELEGRAPHS ACT

APPLICATION OF PART III CONCERNING MARINE ELECTRIC TELEGRAPH COMPANIES

Hon. Stuart S. Garson (for the Minister of Transport) moved the third reading of Bill No. 30, to amend the Telegraphs Act.

Motion agreed to and bill read the third time and passed.

NATIONAL BATTLEFIELDS

QUEBEC—AMOUNT PAID TO COMMISSION INCREASED TO \$125,000

Hon. Jean Lesage (Minister of Northern Affairs and National Resources) moved the third reading of Bill No. 167, to amend an act respecting the national battlefields at Quebec.

Motion agreed to and bill read the third time and passed.

ANIMAL CONTAGIOUS DISEASES ACT

CHANGE IN BASIS OF COMPENSATION IN RESPECT OF SWINE AND SHEEP

Right Hon. J. G. Gardiner (Minister of Agriculture) moved the third reading of Bill No. 250, to amend the Animal Contagious Diseases Act.

Motion agreed to and bill read the third time and passed.

SALARIES ACT

AMENDMENT TO INCREASE SALARIES OF MINISTERS

The house resumed, from Tuesday, February 2, consideration of the motion of Mr. St. Laurent for the second reading of Bill No. 172, to amend the Salaries Act.

[Mr. Howe (Port Arthur).]

Right Hon. C. D. Howe (Acting Prime Minister): Mr. Speaker, the effect of this bill will be to increase the salary of the Prime Minister (Mr. St. Laurent) by \$10,000 to \$25,000, and to increase the salaries of ministers of the crown by \$5,000, that is from the present \$10,000 per annum to \$15,000 per annum.

I think that little needs to be said in justification of this bill. Perhaps the strongest argument is that the present salaries were fixed in 1920. Very few salaries fixed in 1920 are appropriate in this year of 1954. The salary of \$10,000 paid to ministers in 1920 came to them almost tax free. Assuming that a minister is a married man with two dependent children, which may be flattering to some of my colleagues, his tax deduction today would be \$3,700. So that actually his take-home pay, as it is called in labour circles, has been reduced considerably since 1920.

Perhaps I could give a short history of the salaries of cabinet ministers. The salary fixed at the time of confederation in 1868 was \$5,000 for the prime minister and \$5,000 for the other ministers. In 1873 the salary range was revised to \$8,000 for the prime minister and \$7,000 for the other ministers. The scale was revised again in 1905 when the salary of the prime minister was made \$12,000 and the salaries of the other ministers, \$7,000. In 1920 the present scale was fixed, as I have stated, at \$15,000 for the Prime Minister and \$10,000 for the other ministers.

A comparison of the salaries paid in other countries may be interesting. The President of the United States receives \$100,000, plus a \$50,000 taxable expense allowance, plus a non-taxable travelling allowance not exceeding \$40,000. In the United Kingdom the Prime Minister receives ten thousand pounds—

Mr. Drew: That is £10,000.

Mr. Howe (Port Arthur): £10,000 I should say. The other ministers of the crown receive £5,000. The method of remuneration in Australia is somewhat different. There the Prime Minister receives £41,000 as a cabinet fund to cover the remuneration of himself and his colleagues. This is in addition to their parliamentary remuneration.

I might point out that the salaries and parliamentary indemnities of the Prime Minister and the cabinet ministers are taxable. Of the \$25,000 which a cabinet minister would receive the taxes would amount to \$7,625, so that the actual return is no more than the salary of a very junior executive in an ordinary business corporation.