

*Senate and House of Commons Act***AFTER RECESS**

The House resumed at 8 p.m.

GOVERNMENT ORDERS**SENATE AND HOUSE OF COMMONS ACT****AMENDMENTS RESPECTING MEMBERS' SESSIONAL AND EXPENSE ALLOWANCES, ETC.**

The House resumed consideration of the motion of Mr. MacEachen that Bill C-242, to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowances Act, and an act to make provisions for the retirement of members of the Senate, be read the second time and referred to the Standing Committee on Procedure and Organization.

Mr. David Lewis (York South): Mr. Speaker, at five o'clock when the House turned to consideration of private members' business I was dealing with the increase in the non-taxable portion of hon. members' expense allowance. I suggested that at least the additional expenses which were to be covered should have been based on specific allowable areas and on the presentation of vouchers in respect of them.

I say to the President of the Privy Council (Mr. MacEachen) that this is not an unreasonable suggestion. He told us that the services and facilities which the Beaupré committee report proposes would, if implemented, have amounted to more than the \$8,000 to be allowed as a non-taxable amount. This may be so; I have not done the arithmetic and I am prepared to accept the minister's statement without question. He then went on to say that the only difference between what the government proposes and what the Beaupré committee report proposed was the method. By gad, if this is a small difference I should like to know what an important one would be, because between being paid for expenses actually incurred and being given a global amount which one can use as one pleases, and which continues to be non-taxable, lies a difference not only in method but in basic principle.

I repeat: even if the government had decided to keep the \$6,000 as a global sum there was, in light of the Beaupré committee report, no excuse whatever for increasing that non-taxable sum. Why was it not possible to say that members would be paid up to a certain amount per month as rent, if they were obliged to rent a home in Ottawa, or an allowance for an office in the constituency, and provide that in either case they would have to show that these expenditures had actually been incurred before they could obtain reimbursement in respect of them?

I turn now to the retroactive aspect of this bill. As a person who practised labour law for many years and represented labour unions for many years in various parts of this country, I find disagreeable the ease with which it is possible for Members of Parliament to get total retroactivity for seven or eight months with respect

[The Acting Speaker (Mr. Richard).]

to the whole of the increase. I have known strikes called by workers to get even part of an increase in a settlement retroactive. Yet the whole of this amount is to be made retroactive to the beginning of the present session, which means to the beginning of last October. Why?

In the case of an ordinary industrial situation there is a collective agreement which ends at a certain date and efforts are made by the workers concerned to get their increase dated back to the end of the former agreement. They have a contract over a certain period. What period do we have! What right have we to say that the increase provided by this law should go back seven or eight months? I say there is no moral justification for that and no social justification for it either.

Mr. Lambert (Edmonton West): The senior civil servants' increase went back two years in 1967.

Mr. Lewis: The hon. member for Edmonton West (Mr. Lambert) says the senior civil servants' increase went back two years. The only reason it went back two years is that there is a certain period to which their increase was applied. If it takes a year or so to negotiate an increase, it is logical and morally defensible that the increase should go back to the date on which the last agreement ended. But where is our agreement? We simply say: We are Parliament and we can enact it. So we make it retroactive to the beginning of this session. I suppose I ought to be glad it was not made retroactive to the first day of this Parliament; that is about the only consolation I can find.

Mr. Knowles (Winnipeg North Centre): That is what was done the last time.

Mr. Alexander: Did you hear your hon. friend?

Mr. Lewis: No doubt we shall be hearing from him. Finally, I want to say a few words about the method which has been used. I would have hoped that whatever increases the government might have proposed, it would also have had the courage to propose a change in the method of adjusting members' salaries and emoluments. There are two ways in which this might have been done. The bill ought to have provided for one or other of them so that within eight, nine or ten years people who are members of the House of Commons and the Senate at that time—if the Senate still exists seven or eight years from now, and I hope it will not—will not have again to go through this embarrassing and disagreeable task of voting themselves increases.

In addition to whatever the government might have wished to do in connection with the bill before us, in terms of the actual increases contemplated, they should have incorporated in the bill a new method of doing it, possibly through an independent body consisting of whoever the government chose, perhaps the Chief Justice of Canada or the president of a federal court. There are one or two other people they might choose who could by law be given authority to state periodically what adjustments ought to be made, in line with some comparison. Alternatively, I suggest that the indemnities of Members of Parliament be placed within some appropriate public