

Members' Salaries

lar, for their contribution to our common consultations on this matter which concerns members of parliament as a whole and not the government in particular.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, on the basis of the changes indicated by the government House leader, I would be prepared to support the bill for second reading and reference to the committee. I just want to make one or two very brief comments. The government House leader referred to the bill introduced as being misrepresented and misunderstood. I do not want to suggest in any way that it was misrepresented. However, as I said yesterday, it seemed clear to me it was understood by the public to indicate a very substantial increase, 50 per cent immediately, and was taken by the public to be inflationary and excessive. Consequently, it seemed to me that whatever we might think our indemnities and allowances ought to be or deserve to be, we should proceed on some different basis.

The suggestion that this was a 50 per cent increase over eight years and, therefore, amounted to something like 6 per cent a year was clearly not one the public was prepared to accept. The suggestion of an increase of 33½ per cent seems to me to be appropriate and moderate, one that ought not to appear in any sense to be inflationary, ought not in any way to encourage those outside parliament to demand higher settlements, and ought not to be regarded as a departure from restraint on the part of members of parliament, because the one-third increase is clearly less than the increase in the general index to which the government House leader referred.

● (1520)

I am also pleased that the escalation factor in the future is delayed by a year and will therefore run somewhat behind the general increase in the index. That provides, and I am pleased to see it, I think some general incentive to members of the House to fight inflation. I think it is noteworthy therefore that any escalation which takes place in the future will not commence until 1976. What the escalation factor will mean in terms of an indemnity in 1976, 1977 or 1978 of course will depend upon what happens in the future and on what success the government and this Parliament have in fighting inflation and encouraging restraint in the country. Clearly, what is now being proposed will amount to very significantly less than what was proposed in this particular bill. In other words, a parliamentarian will receive significantly less for 1974 and 1975 than was first proposed. I think this is a very important step toward restraint and is a step in the right direction.

There is one further point. With regard to the parts of the bill relating to ministers, officers of the House and myself, I want to keep that question open for the moment as to whether this should go forward on the basis of what is proposed. However, I do not object to the bill being read a second time so that this matter may be considered by the committee, but I want it understood that in speaking as I am now, I am not necessarily endorsing the proposals with regard to ministerial and other salary increases including mine. I think this is something which should be reflected upon further and considered by the committee when this matter is before the committee.

[Mr. Sharp.]

Some hon. Members: Hear, hear!

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I should like to say, in contrast to the government House leader (Mr. Sharp), that the bill presented to the House, far from being misunderstood was perfectly understood throughout the country. People from one coast to the other correctly saw that the government, with overwhelming support, with the exception of one party in this House, was presenting a package that would move the salaries of members of parliament from being in the top 1.5 per cent of the income scale in Canada, among those who pay income tax, to the top .5 per cent. It was clearly understood and clearly rejected. Following that proposal and the reaction to it in this House from the New Democratic Party, and I do not want to exaggerate the importance of that—

Some hon. Members: Oh, oh!

Mr. Broadbent: I hear the catcalls again, Mr. Speaker. All the members of the other parties know full well that the original attempt was to get the original package through this House without opposition, without amendment, with every cent and including every period and every semi-colon. It was to be left intact and it was the New Democratic Party that stopped it. Let us not have any illusions about that.

I come now to the government's marvellous compromise proposal which was so readily accepted by the Conservative Party. I want to say at the outset that, far from being a compromise which would reduce the benefit for members of parliament it would do just the reverse. I will demonstrate that by way of explanation in giving the reasons my party does not agree to these proposals. We made proposals in all seriousness that would have taken into account real increases in the cost of living experienced by members of parliament since 1971. We would have readily accepted that. We would have supported in the House and out of the House such a proposal.

But, what does the compromise so-called effectively do? It does the following: The reduction of the initial pay increase for members from 50 per cent to 33½ per cent for the first two years looks impressive if one conveniently neglects point two that was introduced by the Government House Leader and which will be presented to the committee for purposes of amendment. I refer to the introduction in 1976 of the industrial wage composite index as the basis for increases between now and 1978. If one takes that into account and applies it to the past average increase in recent years of about 10 per cent per year, what does one get? One would get the following: under the original bill the salaries of members of parliament would have been \$39,000 a year in each year between 1975 and 1978, the four years, for a total of \$156,000 in that four-year period. Under the marvellous compromise suggested by the Government House Leader he did not propose any reduction in the proposed increases for cabinet ministers or leaders of other parties including my own. He only proposed what I would call with care and accuracy a deceptive reduction in respect of members of parliament.