

ed by striking out lines 11 to 49 at page 2 and lines 1 to 20 at page 3 and substituting the following:

"(2) Section 34 of the said Act is further amended by adding thereto the following subsections:

"(3) For the twelve month period commencing January 1, 1976 and for each twelve month period thereafter, there shall be paid to every member of the Senate and House of Commons, for the sessions of Parliament in each such period, a sessional allowance at the rate per annum that is obtained by multiplying the sessional allowance payable to each such member for the twelve month period immediately preceding the twelve month period in respect of which the sessional allowance is to be determined by the lesser of

(a) the percentage that the Industrial Composite for the first adjustment year is of the Industrial Composite for the second adjustment year; and

(b) one hundred and seven per cent.

(4) For the purposes of subsection (3)

(a) in relation to any twelve month period in respect of which the sessional allowance is to be determined,

(i) the "first adjustment year" is the last twelve month period preceding the commencement of the period in respect of which the sessional allowance is to be determined for which the Industrial Composite is available on the first day of the period in respect of which the sessional allowance is to be determined, and

(ii) the "second adjustment year" is the twelve month period immediately preceding the first adjustment year; and

(b) the "Industrial Composite" for an adjustment year is the average weekly wages and salaries of the Industrial Composite in Canada for that year as published by Statistics Canada under the authority of the *Statistics Act*.

(5) The salaries and allowances payable to members of the Senate and House of Commons pursuant to sections 33, 41 and 42 and subsection 43(3) of this Act, sections 4 and 5 of the *Salaries Act* and subsection 4(1) of the *Parliamentary Secretaries Act* shall, for the twelve month period commencing January 1, 1976 and for each twelve month period thereafter, be adjusted in the manner provided by subsection (3) as if they were sessional allowances.

(6) a sessional allowance or other allowance determined for a twelve month period pursuant to subsection (3) or (5) that is not a multiple of one hundred dollars shall be rounded to the closest multiple of one hundred dollars that is lower than the sessional allowance or other allowance so determined.

(7) Within two months after the day fixed for return of the writs at each general election the Governor in Council shall appoint commissioners to inquire into the adequacy of the annual variations of sessional allowances payable to members of the Senate and House of Commons and other allowances payable to them and to report thereon to the Governor in Council, with such recommendations as they consider appropriate, within six months after the time of their appointment.

(8) Every report to the Governor in Council made pursuant to subsection (7) shall be laid before Parliament on any of the first fifteen days after the report is made that Parliament is sitting."

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, in view of the rare mood of co-operation that the House seems to be in this afternoon, giving unanimous consent to the amendment of the hon. member for Parry Sound-Muskoka (Mr. Darling), I hope hon. members will look with the same favour upon the amendment being moved in my

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name on behalf of the New Democratic Party. I might take this opportunity to point out to the hon. member for Peace River (Mr. Baldwin), since he is such a stickler for accuracy, that I would appreciate it if in future he would refer to the New Democratic Party in that way, or by saying "NPD", but not "NDP party". That is not correct, and I am sure the hon. member would be the first to correct this error.

Mr. Baldwin: Send me a memo.

Mr. Saltsman: I will send you *Hansard* tomorrow. This amendment seeks to do three important things: it seeks to remove the retroactivity provision in clause 34, to remove the indexing provision and to remove that part of the bill dealing with increases in expense allowances.

● (1520)

There are a number of reasons for this proposal. We take the position that the increase in members' salaries is probably acceptable and necessary, and we do not quarrel with the new salary of \$24,000; we think it is adequate and will allow members' salaries to catch up. The new salary is \$6,000 greater than the old salary of \$18,000. That part of the bill we want to leave alone: we think it is satisfactory even though the increase is far greater than the sort of increase other members of society have enjoyed during the last number of years.

We part company with those parts of the bill calling for an escalation formula. We do this because the government has indicated that it is working on a general formula of restraint which it will ask the people of Canada to accept. We have heard it hinted that the government will ask the people of Canada to accept something less than it is asking members of parliament to accept. A serious situation is developing connected with how we are to ask Canadians to accept restraint in future. It almost seems as if the government has been saying to the more powerful elements in society, "We will overlook what you are grabbing. Go ahead. Once you have taken what you want, we will bring in restraint for those who are not so powerful."

It seems almost as if the government intends to wait until the powerful groups have finished their negotiations; then it will move in on the weaker sectors of the economy who do not have the same bargaining power and cannot disrupt the economy as effectively as the powerful groups. It will impose restraints on the weaker groups if they do not go along with the government. In the meantime, the strong and powerful will have taken what they can. Included among the strong who to some extent can dictate their income increases are members of parliament and, of course, members of the other place. This is wrong. If we seriously want the Canadian people to accept a policy of restraint, we should apply that policy to ourselves. Surely, this is the place to start. If we do not do this, any government policy of restraint will be suspect. As it is, much damage has been done to the government's credibility.

I think there is still time to do something; that is why I urge members of the House to consider the importance of this question and to support this amendment. It will be argued that we are not taking as much, in percentage terms, as other sectors of the economy have taken. Let me point out that increasing by 14 per cent the salary of a man