

Government Orders

I return to Paul McCrossan's testimony before the committee about the legislation. Referring to the legislation he said:

It does nothing to develop a sensible compensation package for members and may actually impede redesign. It entrenches your benefits at a level higher than those available to general taxpayers. At the same time it reduces the cost of your compensation package.

So when you come to redo a compensation package, you will be left with having then to increase it from the level you have reduced it to and it is going to make it much more difficult to do it in two steps rather than one.

It reduces compensation for future service but leaves benefits substantially above the private sector and, indeed, public sector permissible levels.

It is just this that members from this side of the House have been saying. The benefits go well beyond anything in the public realm.

Some time in the future MPs will again decide that the compensation package is not adequate and adjustments will be made.

Many take great pride in pointing out that MPs have curtailed their salaries in seven of the fourteen years since the present pension scheme was adopted in 1981. Are the salaries kept low in exchange for generous benefits? That question has been raised many times in the House and in committee.

The study by Sabeco, Ernst and Young called for a 37 per cent increase in MP salaries, accompanied by a reduction in pension benefits, also recommending that they should be limited to retirees who are at least 60 years of age.

The report further suggests that when the parliamentary wage freeze is lifted in 1996 the MP basic annual salary be increased to \$75,000, and that prior to the next election Parliament be urged to pass legislation to increase MPs' salaries to \$86,000 to take effect on the first day of the 36th Parliament.

Given the political climate, the ever present debt and deficit and this ineffective pseudo pension reform, I do not believe the government has the political will to make these badly needed appropriate changes to current MP compensation and pension arrangements.

Once again let me go back to Paul McCrossan who said:

I believe that legislating preferred treatment for yourselves, even if it is reduced preferred treatment, as proposed under this bill—will continue to foster cynicism.

Each of us holds a very privileged position and thus must make every effort to avoid abuse of that position.

As long as Parliament holds the power to set members own salaries, perks and pensions, the job will clearly not be effectively achieved. Politics will come into play as they have in this

instance and longstanding MPs will resist every effort to make appropriate changes to the pension plan.

Even in the Progressive Conservative government Wilson budget of 1986 provisions were made to lower MP pensions to private sector levels. We could wonder why this had not happened but the answer is clear. Decisions such as this cannot be left in the hands of Parliament. Rather, a competent, independent body must be assigned to ensure appropriate compensation and pension reforms are implemented.

It is not too late even at this report stage to make some important changes. The proposed reductions make only a small dent in the cost to the taxpayer. Treasury Board officials have indicated that most of the savings will result from actuarial factors rather than legislated changes.

For my own part, unless the government makes real changes which bring the MP pension scheme into line with that of other Canadians, I will be signifying my intention not to opt into the proposed plan.

I call on government to go back to the drawing board, heed the very clear direction given by its own constituents and make meaningful, realistic changes to Bill C-85. I call on rank and file members of the government to press for these changes. They know what is right and proper. They know that Bill C-85 does not meet this need, and they should know that a concerted effort on their part could influence the changes needed to fulfil at least one of the promises made in the red book.

• (1040)

The Acting Speaker (Mr. Kilger): Let me deal with the point of order raised by the hon. member for Burin—St. George's. I express my appreciation and respect for the member for Saanich—Gulf Islands for his withdrawal. I am not recognizing or ruling that it was necessary, but I welcome his initiative. I will not be reviewing the blues and consider the matter closed.

I should like to return momentarily to the point of order raised previously by the member for Fraser Valley East. I ruled that it was not a point of order and I continue to believe that to be the case. The issue which occurred yesterday between two hon. members is presently before the Speaker for a ruling. I would deem any allusion to the incident inappropriate at this time.

Vigorous debate certainly will not be curtailed by myself while I am in the chair, but I would ask that respect be extended particularly to the institution and more specifically to the two members involved.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I was a member of the committee that studied the bill. I also participated in second reading debate on the bill.

[Translation]

Today, I am again going to take a few minutes of the House's time to give my opinion on this bill. I support the comments of