

● (1510)

BUSINESS OF SUPPLY

DESIGNATION OF ORDER OF THE DAY TO DEBATE WAYS AND MEANS MOTIONS

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, in accordance with Standing Order 60 I request you designate an order of the day for consideration of the remainder of the notices of ways and means tabled in conjunction with the budget on November 18, 1974.

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HOUSE OF COMMONS

TABLING OF GOVERNMENT GUIDELINES FOR NOTICES OF MOTIONS FOR THE PRODUCTION OF PAPERS

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, pursuant to Standing Order 41(2) I table copies, in both official languages, of government guidelines for notices of motions for the production of papers.

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BUSINESS OF THE HOUSE

PROPOSALS RESULTING FROM CONSULTATIONS ON BILL C-44 CONCERNING REMUNERATION OF MEMBERS

Hon. Mitchell Sharp (President of the Privy Council): Mr. Speaker, I now turn to something that is apparently of greater interest to hon. members. As I indicated yesterday, conversations have been taking place among the parties and among members in order to determine if a somewhat different approach to the determination of remuneration of members might produce a result that would command even greater support among the membership of this House, and might help to remove any public impression that the proposed increases were excessive or out of line with prevailing standards in public and private life.

As the House is aware, proposals were originally made by an ad hoc group of private members. The government included some of these proposals in the bill now before the House, and rejected others. Quite clearly, the bill commanded widespread support in this House, including that of the Leader of the Opposition (Mr. Stanfield) and the House leaders of the official opposition and the Social Credit Party. Equally clear, however, is the fact that the proposed, single 50 per cent increase in remuneration for members for the duration of the present parliament was both misunderstood and misrepresented.

Some hon. Members: Hear, hear!

Mr. Sharp: Many people, either through ignorance or design, equated this proposed 50 per cent increase, the first for four years and the last for another four years, with the demands being made by groups which engage in bargaining at regular intervals and whose wages rise annually under existing contracts. It was pointed out that the average annual increase over the eight-year period was less than 6 per cent, but it has to be admitted that this

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argument made little headway against the popular idea that somehow members of parliament were demanding exorbitant increases in their pay.

That being so, the government came to the conclusion that a different method of determining remuneration might be open to less misunderstanding and I was authorized to explore the possibilities with government supporters and with other parties. As I have said on several occasions, this measure is essentially a parliamentary, rather than a government bill. The advice the government received came from private members from all sides of the House who in tendering advice made it evident that they were prepared to defend publicly and to their constituents their recommendations. The government has never considered MPs indemnities and allowances matters for partisan conflict, although of course there might be legitimate differences of view among individual members, as evidently there are.

After receiving authorization to explore possibilities for a different method of determining remuneration, I was approached immediately by the Leader of the Opposition who expressed the same view, that a different approach was desirable and suggested that the level of indemnities and allowances might be determined in relation to the average increase in wages and salaries as determined by Statistics Canada since 1970, when the present rate of remuneration was instituted, and that these figures might be adjusted annually in accordance with the future trend of average wages and salaries. The government had itself considered a similar approach, and I expressed sympathy. I then had conversations with the leader of the New Democratic Party, and at a third stage I had some exploratory conversations with the House leader of the Social Credit group.

Out of these exploratory conversations I made a series of proposals that I felt might command general support. In light of the comments received from the leaders of the parties after consultations with their respective caucuses, and after consultation with government supporters, I am now in a position to say that when the bill which is now under consideration by the House for second reading does receive second reading and is in the committee, the government will be prepared to support amendments to accomplish the following. First, as of the beginning of this parliament, indemnities would be \$24,000 and allowances \$10,600. This is 33½ per cent above the present levels. The increase in the industrial composite index from the effective date of the last adjustment until July of this year is quite a bit higher than 33½ per cent, but there is a disposition, I discovered, on the part of most of those consulted to recommend somewhat less than could be justified.

Second, the foregoing level would be maintained from July, 1974, to December, 1975. Third, beginning in 1976, indemnities and allowances would be adjusted annually in accordance with the percentage change in the industrial composite index between the two preceding years. For example, the level in 1976 would be adjusted by the percentage change in the industrial index between 1974 and 1975.

I conclude, Mr. Speaker, by thanking members on all sides, and the leaders of the opposition parties in particu-