public service. We have witnessed that in the provinces, particularly in Ontario where there was a social contract put in place with rather disastrous consequences.

(1325)

The purpose of the government in choosing this particular option was to ensure that as many members of the public service as possible could retain their jobs. In spite of the significant cutbacks in funding that are available for all manner of government programs, by freezing we have avoided the necessity to eliminate jobs while others get an increase.

Even if the increments could be allowed to employees, as I am sure the government would like to do, that would result in an increased salary cost to the Government of Canada. That would have to be met out of the existing budget. Since the government has no additional funding to give to government departments for this purpose the only solution to capping the total salary cost would be to eliminate someone else's job. That is why there is a freeze on the increments and that is why there is a freeze on salary increases.

I do not think it is popular. I do not think it is the greatest thing by any means. However it is the best thing the government could come up with given the financial circumstances we are facing.

I know the hon. member and his party are very supportive of government cutbacks and government freezes. I am delighted to know he will be supporting this part of the bill.

Ms. Val Meredith (Surrey—White Rock—South Langley): Mr. Speaker, I would like to follow up on the point my hon. colleague raised. Our party has very little problem with freezing salaries. However when we start talking about freezing increments it goes a little bit further.

With the RCMP constables the government is cutting into what was considered training advancement through an incremental process.

British Columbia has the largest number of RCMP. It is the largest division in the country. There are over 700 constables in the E division. A large part of the cost the member is talking about controlling is municipal. It is through the municipal taxpayers.

In the Surrey detachment 90 per cent is picked up by the municipality. Provincially, 70 per cent is picked up by the province. When the hon, member starts talking about saving real dollars for the federal government he is talking about minimal savings on the backs of low paid constables who are in training.

The Reform Party certainly supports the concept of freezing salaries. However it does not support freezing increments which are based on training that are part of an ongoing contract with

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these individuals and should not have been put into a collective package.

I do not think the government can make those kinds of decisions without looking at individual circumstances in different programs that fall outside the normal salary range. I would like the minister to give this further consideration.

Morale in the RCMP is at an all time low. There was a meeting of 800 members of the RCMP in my constituency last night. The deputy commissioner made the statement: "It would be futile for me to say that there is not a morale problem in terms of this incremental freeze". Would the hon. member please respond to this.

Mr. Milliken: Mr. Speaker, I am surprised to hear this from the hon. member for Surrey—White Rock—South Langley because she is a member of a party that keeps telling us there is only one taxpayer. It does not matter two hoots if the federal government raises the salary costs for these people but then recoups 90 per cent of the cost from her municipality which taxpayer is paying. It is the same taxpayer that is going to pay that cost. It is just that instead of the federal government paying it, the municipality or the province in which she resides is going to pick up the tab.

She nods her head that that is okay. Yet the other members of her party, and I am sure she has been part of this, keep telling us there is only one taxpayer and we have to cut costs. When we do it I am surprised we face criticism from the Reform Party on this matter.

Let me turn to the essentials of the question. She says it would not cost the federal government anything to allow the increments to go into place for a group of RCMP officers in the province of British Columbia. I do not know for certain but I would bet any money that the rates are the same across the country. If the federal government is to give that kind of increase in British Columbia, it will have to give it in other parts of Canada too. It will have to give it in parts of Canada where it does not receive a subsidy from a province for operating a police force such as all RCMP forces in Ontario and in Quebec. While there may be fewer, the cost would still be significant for the federal government.

• (1330)

Surely the hon. member agrees with me when I tell her that it would be unfair to give the increase in the provinces where the federal government picks up only a part of the share and not give it in the provinces where it is paying the full shot. I think she would agree with that. She must recognize the wisdom of the government's decision in this matter, given the regrettable circumstance that led to it, the very substantial deficit that her party said it would eliminate in three years.