

Equal pay for work of equal value is also an essential condition if the government is to manage its operations more effectively. To do so, the government must acknowledge the contribution of public service employees. It must treat them fairly and promote a high level of job satisfaction and a healthy team spirit, if they are to serve Canadians with the requisite professional expertise and dedication.

This new decision will reinforce the project referred to as "Public Service 2000", announced by the Prime Minister (Mr. Mulroney) last December. Its goal is to ensure that Canadians have the best-managed public service there is.

Mr. Speaker, we have made great progress in achieving our employment equity objective. We have launched a program aimed at streamlining administrative procedures and letting managers manage the resources at their disposal. The government has agreed on a host of other measures to manage government more effectively and reduce social and economic inequalities.

[English]

Today, Mr. Speaker, I want to describe our actions to implement equal pay for work of equal value in the federal Public Service. In practical terms, equal pay for work of equal value means the elimination of inequities in pay between workers in female dominated occupational groups and workers in male dominated groups.

In March 1985 I established a joint union-management committee to look at the means through which gender based inequities in pay could be corrected. The objective was to develop a methodology to identify and quantify those inequities and to make recommendations on how to redress them in a proactive manner throughout the federal Public Service.

At that time all 13 Public Service unions accepted my invitation to participate with Treasury Board officials on the committee and worked co-operatively toward that common objective. In addition, officials from the Canadian Human Rights Commission participated as observers.

As this House can appreciate, assessing gender based inequities in pay across the entire federal Public Service is a very complex task. There are some 220,000 federal public servants in addition to the Canadian Armed Forces and the RCMP. They are 70 different occupation-

al groups, 53 of which are assessed by the committee as being male dominated and 9 as female dominated.

[Translation]

In fact, Mr. Speaker, I am told this pay equity study is the largest of its kind ever conducted anywhere in the world. Obviously, it was not possible to assess every position in each of these occupational groups. Through the efforts of the committee and the assistance of independent consultants, a methodology was established that all agreed would be statistically sound and produce valid results.

In total, 4,419 employees were surveyed and 3,200 positions were analyzed by nine evaluation committees against the criteria established by the consultants selected by the Joint Union-Management committee. These consultants have participated in all aspects of the committee's work. Their work is now complete, although they have identified continuing apparent gender bias in some of the job evaluations.

[English]

Treasury Board and the Canadian Human Rights Commission have concurred that some further analysis is required to clarify these situations, but these adjustments are not of a nature or scope that would justify further delays in government action. Since the government believes that the public interest will be best served by moving forward, I am announcing today that the federal government will implement equal pay for equal value adjustments immediately.

These adjustments will come in two phases and affect approximately 70,000 federal public servants. The first phase has an immediate cost to the federal government of approximately \$317 million in retroactive lump sum payments to those affected by past and current inequities. These retroactive payments will be made to all affected employees as quickly as possible.

The second phase involves about \$76 million in annual salary adjustments in order to equalize pay rates between persons in female dominated occupations and those in male dominated occupations. These adjustments will be effective April 1 of this year.

As I indicated earlier, the process involved in identifying and analysing pay discrimination within the Public Service has been a lengthy and a complex one. When we started the process we had hopes that we could complete it in a relatively short period of time. While this did not prove to be the case, this government does not believe