

should have been of a more modest nature. I go along with the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) who suggested that the increase should be calculated from the time of the last election.

It is my belief now, as it has been since I came here, that there can be no justification for any tax-free allowance for members of parliament. To my knowledge, no other citizen is permitted an allowance for which he does not have to account. This proposal is wrong for that reason, and it is wrong because it is unfair as between members of parliament. Let me explain what I mean by that. There is a vast difference in the amount of my expenses, coming from an urban riding, and the expenses of the hon. member for Churchill (Mr. Smith), for example, whose constituency encompasses more than 50 per cent of the province of Manitoba. The expense of a chartered aircraft, which is the only way he can get into isolated communities, is prohibitive. His expenses are probably small when compared to the expenses of my colleague, the hon. member for Northwest Territories (Mr. Firth).

I have always believed that the tax-free allowance ought to be wiped out and that members of parliament should perhaps have an allowance for which they must account through vouchers, or they should be permitted to deduct legitimate expenses in calculating their income tax, just as in the case of self-employed persons.

I am opposed to percentage increases across the board, and I know in that regard I am in disagreement with friends and colleagues in the labour movement with whom I have worked for many years. A percentage increase across the board works simply to widen the gap between citizens in this country. As an illustration of what I mean, I refer to the circular which members of parliament received some weeks ago outlining increases in the wages and salaries of people working for the House of Commons. I do not have the document before me, but I remember the broad outline. As I remember it, all members of the House of Commons staff received an increase of between 10 per cent and 11 per cent. That means that the people who work in the cafeteria or the restaurant received an increase of probably \$500 or \$600 a year, whereas some of the senior people got an increase of between \$3,000 and \$4,000, or perhaps even higher.

It is this kind of proposal which I believe is fundamentally wrong, in that all it does is widen the income gap between people at the lower levels and those at the top. For the same reason, I do not believe that members of parliament, who are in fact among the top 3 per cent or 4 per cent of income earners in this country, should get a full cost of living increase. If we are seriously trying to respond to the inflationary spiral in which we find ourselves, surely we should be worrying about the people at the lower end of the income scale. If anybody should get a full cost of living increase, they should. If people at the upper levels of the income scale get a cost of living increase, it should not be the full increase in the cost of living. The people of Canada want this country to move toward greater equity than we have seen in recent years, and what we are doing with this increase for members of parliament, as well as increases for people in the public and private sectors, is widening the income gap.

Members' Salaries

I should like to make one more point before sitting down. It seems to me ridiculous, to say the least, to be discussing the proposal before us today at a time when the Minister of Finance tells us, as members of the radio, television and news media have told us, he is meeting with leaders in industry and agriculture as well as provincial premiers and labour leaders in an attempt to obtain a consensus in respect of a policy of restraint to deal with inflation. I have never believed that a voluntary or a legislated policy of wage and price controls could work. You cannot deal with inflation, which is a worldwide phenomenon, through a system of wage and price controls. That is what the official opposition advocated during the last election campaign, and apparently that is the line the Minister of Finance is trying to adopt today.

It is ridiculous for the Minister of Finance to be preaching a policy of restraint and urging labour leaders to convince their members to show restraint, when at the same time members of parliament are engaged in a debate regarding an increase in their indemnity far higher than the increase any group of workers has been able to get through negotiation or strike. This is particularly ridiculous at a time when our labour leaders have been having a difficult time getting their rank and file members to ratify some of the best offers or agreements they have ever been able to negotiate, because they felt they were not enough and they have been on the short end of the stick for too long.

● (1650)

I do not believe the consensus the minister is looking for can be achieved. I do not believe he can obtain that consensus from labour, from industry, from the agricultural community and from the provincial governments. In other words, I do not believe that consensus can be fully implemented. Having said that, it seems to me that for parliament to agree to such a large increase as that proposed would make a mockery of the whole appeal for restraint. I believe we ought to be looking toward greater, rather than less, equity. Therefore, I simply cannot vote for the proposal before us.

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, when I talk to people about parliament and its function, one of the things that immediately comes up in the conversation is the matter of governing the country. Inherent in this is the provision of some kind of leadership. We hear from the Minister of Finance (Mr. Turner) that inflation is getting out of hand and he is attempting to arrive at a consensus between workers, business and other groups in order to restrain the runaway demands which various sectors of the economy are making. At the same time the minister is doing this, the 264 members of this House, who are supposed to be governing and providing some kind of leadership, are asking for a wage increase that can only be interpreted by the people as highly inflationary.

I fear that the result of the passage of this bill,—and it will pass because of the Liberal majority—will be that the workers, unionized and non-unionized, will say that if members of parliament can do it, so can they. In other words, if those who are supposed to provide some kind of leadership in this country originally asked for 50 per cent and settled for a compromise of 33½ per cent and the