

Canada Labour (Standards) Code

amendment to the motion. The only thing it really has in common with the motion is the concept that there should be a formula, but from there on the formulae differ. I think the hon. member, who is a past master of the rules, is taking advantage of his knowledge in this field compared to mine to introduce an amendment that probably, upon reflection, he should have introduced by the normal method.

● (3:50 p.m.)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker—

Mr. Speaker: Order, please. I really do not think it should be necessary to discuss the matter further. I indicated to the Minister of Labour (Mr. Mackasey) that I harboured the same doubt. I appreciate, at the same time, that this is a matter of doubt, depending on what we consider to be the essence of the matter before us, that is whether it is that there should be an amendment or modification of the minimum wage rate by relating it to the consumer price index or whether it should not be a fixed determined minimum but rather related to some formula which might be adjustable. I think an argument could be made on both sides. Because of this, I am prepared to put the amendment at this time.

Is the House ready for the question on the amendment?

Hon. Bryce Mackasey (Minister of Labour): I will be very brief, Mr. Speaker. The hon. member for Moncton (Mr. Thomas) quite properly pointed out that at this time last year I suggested I was hoping to introduce some kind of formula to amend the minimum wage on a more regular basis. I pointed out that the minimum wage had not been raised since 1965, because the method required to do it was rather laborious in the sense that it required a bill to amend a rather complicated act. Therefore, the minimum wage, despite the attractiveness of increasing it, had not been adjusted for five years. I have suggested that I would welcome a formula. However, the formula suggested by the hon. member for Hamilton West (Mr. Alexander), if applied to the basic wage of \$1.25 in 1965 would have brought it up to \$1.56 as opposed to the \$1.75 we are now proposing. The amendment to the motion suggested by the hon. member for Winnipeg North Centre (Mr. Knowles) ran contrary to the testimony of the President of the Canadian Labour Congress given before the committee. He was talking about a minimum wage of \$2 and he said:

At this level of earnings, I do not think that any scientific approach or criterion is actually relevant because it would, of itself, assume an equitable floor. You proceed from there and actually we do not believe that the present minimum wages, or even those that we are adjusting, in themselves provide any sort of equitable floor on which to build by the application of some scientific formula, having to do either with the consumers price index or with the productivity measurements.

This has bothered me in the last few weeks, Mr. Speaker. When I toyed with the idea of introducing a formula, I realized the weakness in the whole concept was that a formula could be a hardship to people on a minimum wage if it were introduced into the bill or used as a method for improving the minimum wage annually,

[Mr. Mackasey.]

prior to a minimum wage floor being set nationally that was acceptable, fair and equitable.

I do not suggest that \$1.75 is as high a minimum wage as we should be working toward, but if we had used the rigid formula suggested by the hon. member for Hamilton West we would now have \$1.50. I know he would not consider this fair. We need the flexibility until we get to a point where minimum wages can be logically adjusted by some formula and all of us can be satisfied that it is equitable. I think this argument applies equally to the amendment to the motion put forward by the hon. member for Winnipeg North Centre. The purpose of introducing a provision for increases by Governor in Council is to make it possible for the government to raise the minimum wage at more frequent intervals. Otherwise, minimum wage increases do not have the socially desirable effect.

I realize there is the possibility of political expediency on the part of any particular government at any particular time. I think the hon. member for Moncton phrased it rather delicately. However, I must remind him that if I or the government were only concerned with political expediency we might have come in with \$2.50 today, so I do not think that is a real danger, Mr. Speaker. I think all of us in this House realize that the minimum wage affects more than the employee; it also affects the employer, the marginal industry, the standard of income across the provinces. While at first glance it might be politically advantageous to raise the minimum wage a week or two before an election by an exorbitant amount, the concern created among large and small businessmen could outweigh the effect of such an indiscriminate increase. Although the minimum wage has not yet reached an acceptable level—we are working toward it—I would suggest that this is the best possible way in which we can make certain of periodic and orderly increases, by Governor in Council.

The hon. member for Hamilton West said quite properly, as did the hon. member for Winnipeg North Centre, that there are pressures from the opposition, from private bills and within the Liberal party itself. The hon. member for Sault Ste. Marie (Mr. Murphy) had the courage of his convictions. When he suggested the minimum wage be raised \$2 he was simply saying in debate precisely what he said in committee last year. I must commend him for his consistency. He also pointed out that there is pressure within the Liberal caucus as I am sure there is within the caucus of all parties, particularly for members who come from industrial ridings, to make sure that the minimum wage is adjusted periodically.

In the past, to do this has required amendment of a complicated bill and governments are reluctant to bring in amendments to one small part of a bill as complicated as the Labour (Standards) Code. By using the Governor in Council method, the government, as a result of pressure from members opposite or private members' bills as well as legitimate pressure within the caucus, will be able to make the periodic adjustments required to keep the minimum wage at a desirable level. I suggest that the amendment be rejected accordingly.