

Canada Labour (Standards) Code

secretary just out of school who enters the labour force on her first day. Is she worth \$2 an hour, or \$1.25? The fact is that her employer could say that she is not worth very much, that she is worth only \$30 a week or \$20 a week. But this legislation says that even though he believes she is not worth more than \$20 a week he must pay her \$1.75 an hour because we have established that as a minimum, and industry has to live with it.

But if you say that everyone must be paid a fair wage, which is exactly what this amendment proposes, then you are leaving out a great part of the work force employed under the act. Take the case of waiters who depend a great deal on tips, railway employees, and workers in many other categories for which the hourly rate is only a small part of their earnings. If you stipulate \$2 an hour, then this will have a reaction on the rest of the industry. I think the House should recognize that the bill deals with legality, not with fairness. If we recognize this then the amount of \$1.75 certainly can stand.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I find myself in the rather unusual position of participating in the debate on the amendment proposed by the hon. member for Winnipeg North Centre (Mr. Knowles) and finding that the hon. member for Sault Ste. Marie (Mr. Murphy) anticipated my arguments with a great deal of accuracy, since they were given to him in confidence earlier in the week. I did not hear too many reasons advanced by the hon. member for Winnipeg North Centre as to why \$2 would be a fair minimum wage and not \$3. Another disadvantage under which I labour is that the hon. member for Hamilton West (Mr. Alexander) made what I thought was a very eloquent and reasonable contribution, and frankly I am vain enough not to want to repeat many of his arguments in such a way that they will suffer in comparison with his eloquence.

The hon. member for York East (Mr. Otto) has made a very fundamental point, that really the whole bill—and we are talking about the whole bill—deals with minimum standards. Even if those workers who are protected by organized labour, as a result of their bargaining, arrive at standards that are less than the minimum in this code, those standards must be brought up to the level of the code. The key work in this bill to set standards is “minimum”. We are suggesting minimums in the hope that enlightened employers, realistic employers will realize they are precisely that—minimum standards.

By setting a minimum standard of \$1.75 we are not saying to the chartered banks that this is a fair wage, that this is what they should pay their employees, and nothing more than \$1.75.

Mr. Knowles (Winnipeg North Centre): This is what they are doing.

Mr. Mackasey: That is not fully accurate. Some of the employees of chartered banks are being paid \$1.75, while others are receiving more as the hon. gentleman himself was quite fair in stating earlier in the debate. But the

[Mr. Otto.]

majority of people in the chartered banks who are drawing \$1.75 are part-time people, living in the neighbourhood, who supplement the staff at weekends and nights. If we were dealing with legislation exclusively restricted to chartered banks, I would not feel the least bit hesitant in setting the rate at \$2, \$2.50 or \$3, but we have not reached a point in this country where a minimum wage is a necessary part of our social policy.

If we arrived at a co-ordinated social policy for this country and agreed that minimum wages across the country must not be less than established figures, as the hon. member for Kootenay West (Mr. Harding) suggested a little earlier—this idea has a certain degree of attractiveness for me—we would have to find ways and means of subsidizing the small businessman if he had to pay an extravagant minimum wage. It would be extravagant in the sense of his ability to pay it. So, we are faced with the problem of providing a minimum wage that is at an acceptable level above the poverty level.

As the Minister of Labour who, by virtue of that portfolio, is concerned with people, I would like to be the minister who comes into this House with legislation that would say the minimum wage would be \$2, \$2.50 or \$3. It would make me very popular with the trade union movement. It would make the hon. member for Hamilton West very popular with his constituents, since he represents an industrialized centre. It would make all the members of the House popular with that segment of society that we could influence through such legislation. However, the real question is: would it be reasonable on our part to set the minimum wage at \$3? That is really the criterion.

When we are talking about this bill to raise the minimum wage from \$1.65 to \$1.75, I must say that hon. members have very short memories. This time last year the minimum wage was \$1.25. At the time I decided to revise the entire Canada Labour (Standards) Code, not only the section that affects minimum wages but all the other sections. Research was undertaken which made it possible to bring in such forward looking additions to the act as severance pay, equal pay for equal work, group notice for large groups of people being laid off, and many other features which make this a very attractive piece of legislation. It is attractive to everybody in this House because I do not for one minute presume that only the Liberal members and the present Minister of Labour are concerned with the people. There are many members in all parties who are concerned about the workers in this country. Realizing at the time the amount of research that was necessary to come forward with a positive bill, I felt that any delay in bringing such a bill forward—anticipating it would not get to the House until this month—would cause hardship to those people who, a year ago, were living on the \$1.25 minimum wage. In view of this situation, I obtained the permission and consent of my colleagues and of hon. members opposite last fall, and I appreciate their co-operation, to limit an amendment to that section of the Canada Labour (Standards) Code dealing with the minimum wage. At that time we brought the minimum wage up to \$1.65. So, in reality what we are doing in less than one year is to increase the federal minimum wage from \$1.25 to \$1.75.