

Members' Salaries

of the government and which produces some very good reports—hon. members will recollect its recent report, "Poor Kids."

I am now referring to the report issued in 1974 entitled "Prices and the Poor." In that report a plea was made that pensions across the board should be indexed, not with reference to the cost of living, which always leaves pensioners behind and gives them no share in rising living standards, but according to wage index or the gross national product. However, even though this recommendation came from the National Council on Welfare, we got nowhere with it.

I cite another example. Some time ago we won an amendment to the Pension Act, the legislation under which war disability pensions are paid. It was a victory which took 40 or 50 years to win. What we achieved was a requirement that war disability pensions would be related to the wage levels of five groups in the public service. The recommendation was made that the 100 per cent disability pension be the average income of five such groups. This was put into legislation because a very high level committee had worked on the matter—a tri-partite committee consisting of representatives of the Department of Veterans Affairs, the Canadian Pension Commission, and the veterans organizations of Canada. Please note that two of these three elements were under the government—the Department of Veterans Affairs and the Canadian Pension Commission.

● (2040)

When that committee recommended the rate of a 100 per cent disability pension be related to the wage levels of the public service, it recommended as strongly as it could that any future indexing of that basic pension should be geared to the wage increases of those same five groups. Despite the fact that it had the support of the Standing Committee on Veterans Affairs, the government refused to do it.

There is the picture, Mr. Speaker. That is why I find this proposal so offensive, why I find it so indecent. We cannot get the pensions of senior citizens geared to the industrial composite index, and we cannot get the disability pensions of our war veterans geared to the industrial composite index—they must settle for the consumer price index which, over the long run, is behind the other. They must settle for the lesser formula, but when it comes to our pay and allowances we demand the best formula there is, the industrial composite.

As I say, Mr. Speaker, I think this is offensive and indecent and I hope, if there is to be in this bill any provision for escalation, we will not ask for ourselves something that we have been unwilling to give to the public generally, and in particular that the government has been unwilling to give to the veterans of this country.

This afternoon the hon. member for Windsor-Walkerville made some remarks about productivity. He thought we should get not only the increase equal to the cost of living but we should get some increase for productivity. Mr. Speaker, I do not know how you would measure the productivity of this place. I was interested when the hon. member for Témiscamingue (Mr. Caouette) talked this afternoon about the high salaries that certain athletes get because they amuse a few thousand people. One of my

friends to the right said, "But in this place we amuse 20 million people." Mr. Speaker, the point I am trying to make is that productivity is something that one has the right to look at and claim some benefit for, but it really depends on where you start.

We had some trouble today about figures as between the hon. member for Windsor-Walkerville and the hon. member for Oshawa-Whitby. I have some figures too, Mr. Speaker. I find on the basis of 1961 being 100—and that is the formula being used today under CPI—that the CPI for 1953 was 89.4. I mention that year because it is one of the years in which the pay and allowances of members of parliament were increased. In 1953 we were brought up to \$8,000 salary and \$2,000 expense allowance. Today the CPI is crowding 180—it has gone up 100 per cent since 1953. On that basis, Mr. Speaker, we should be getting \$16,000 salary and \$4,000 for expense allowance. We are already getting \$18,000 plus \$8,000, so I suggest that there has already been an allowance for productivity; yet the bill before us asks for \$26,000 and \$13,000, or a total of \$39,000. Even the amendments that have been proposed, while they would provide for less at the beginning would, by the end of this parliament, provide just as much.

I suggest that all of these arguments about figures can be used in any direction, Mr. Speaker, but surely there is no case on any basis of statistics for the amounts that are being asked for in this bill.

Another point was brought out this afternoon where there seems to be some difference between the views of the hon. member for Windsor-Walkerville and the hon. member for Oshawa-Whitby. I think they were not speaking about the same thing, but let me get into that same area with a different document. I have in my hand a copy of the excellent address entitled "Income Distribution: A Question of Community Ethics", which was delivered in Toronto on Thursday, October 31, 1974, by the Minister of National Health and Welfare (Mr. Lalonde). In this speech he condemned our society for the inequality of income that exists, and called for a serious effort to overcome these inequalities. He gave some statistics, and pointed out that according to the latest figures he had there were five million families in Canada and that, of those five million families, 190,000, or 3.8 per cent, were receiving incomes of more than \$25,000 a year. I contend, Mr. Speaker, that as members of Parliament we and our families are in that category. Some will argue that we are getting \$18,000 a year salary and \$8,000 a year expense allowance. That is \$26,000 before you figure any tax. Mr. Speaker, we are in that 190,000.

If my friend across the way does not like the percentage that my leader gave the other day, even that figure of 190,000 is 3.8 per cent of the five million families in Canada. Raise that 3.8 per cent to 5 per cent, or even more if you want, in terms of what we are now receiving, and if you add to that the proposed increase in this bill, we certainly will be in the top 5 per cent so far as family income in this country is concerned.

I do not think we can give proper representation to the people of this country if everyone of us in this place has income greater than 95 per cent of the people we represent. I call upon members not just to talk about our needs, our costs and expenses, but to face the responsibility of leader-

[Mr. Knowles (Winnipeg North Centre).]