

HOUSE OF COMMONS

Wednesday, April 15, 1964

The house met at 2.30 p.m.

PROCEDURE

TABLING OF SECOND REPORT OF SPECIAL COMMITTEE

Mr. Speaker: I have the honour to present to the house the second report of the special committee on procedure and organization. At this time I would like to recognize the hon. member for Winnipeg North Centre (Mr. Knowles), who is chairman of the subcommittee on procedure of the general committee which prepared the report just tabled.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise merely for the purpose of giving oral notice, which I will later give in writing, that on Friday on behalf of the committee I shall move that the house concur in the second report which Your Honour has just tabled. I give this notice now so that hon. members can read the report in *Votes and Proceedings* and, we hope, be ready to concur in it when it is moved on Friday.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*INCREASE IN SALARY OF C.B.C. PRESIDENT

Question No. 104—Mr. Ricard:

What standards were used to determine and justify the amount of the increase granted December last to the president of the Canadian Broadcasting Corporation, Mr. Alphonse Ouimet, when his salary was raised from \$20,000 to \$40,000 per year?

Mr. Pearson: Mr. Speaker, I should like to answer this question in some detail.

The board of directors of the C.B.C., on October 30, 1963, unanimously recommended that the salary of the president of the corporation be established by the governor in council at \$50,000. In support of this recommendation, a number of considerations were adduced:

(1) In the absence of any action by the governor in council to establish a salary for the president, as was required under section 25(1) of the Broadcasting Act of 1958, the present incumbent from the time of his appointment in 1958 continued to receive only the salary of \$20,000 which had been

approved for him in 1954 when he occupied the lesser position of general manager of the corporation, under a full time chairman of the board;

(2) The Fowler commission had judged the salaries of both the chairman and the general manager to be seriously inadequate in 1957;

(3) The responsibilities of the chief executive of the corporation had grown many fold since 1954;

(4) The Glassco commission has stated that a substantial increase in the salaries of the chief executive officers was needed;

(5) The prevailing rates of remuneration for positions of comparable responsibility in industry ranged as high as \$100,000 per annum;

(6) The salaries of chief executives in other crown corporations, holding offices of comparable responsibility, were substantially higher; and

(7) The limitations imposed on other C.B.C. salary scales by the abnormally low salary set for the president placed the corporation at an increasingly serious disadvantage in attracting men of competence and experience to fill senior posts.

In considering the recommendation of the board of directors, the government recognized the force of their arguments. However, in order to maintain a reasonable relationship between the remuneration of the president and that of other senior officers of the public service, it was felt necessary to fix the salary at the lesser amount of \$40,000 per annum. This was done by order in council P.C. 1963-5/1855, dated December 20th, 1963.

Mr. Ricard: Mr. Speaker, I wish to thank the Prime Minister for the answer he has given, even though it seems it has taken a long time to get it.

Some hon. Members: Order.

CANADIAN RAILWAY BOARD OF ADJUSTMENT

Question No. 269—Mr. Rideout:

1. On what date was the present Canadian railway board of adjustment No. 1 constituted?
2. For what purpose was this board created?
3. What was the actual cost, per year, per party, during the period April 1, 1954 to March 31, 1963, covering the actual function of the board?
4. What items would this amount cover?

Mr. MacEachen: 1. The agreement between the railway association of Canada and six trade unions which first established Canadian railway board of adjustment No. 1 was dated