

Members' Salaries

So if my party or I oppose this bill, it is not because a substantial number of people will take my opposition to it to be such that they are going to run to support me in the next election. I do not believe that for a moment. By the time the next election comes around, this question, in my view, will have been long forgotten. I oppose this bill not because I think members of parliament are not entitled to an increase to their indemnity, but because I think we have not really thought through what the increase should be or in what form we should receive it.

Members of parliament are faced with the same problems as every other Canadian citizen as a result of the sharp increases we have experienced in the cost of living during the last couple of years. I believe, therefore, as I have said, that some increase is justified. But we should keep in mind that members of parliament are already among the top 5 per cent income earners in this country. A look at the daily newspaper in any city of Canada very quickly reveals that all of the traditional income relationships between the various groups in Canadian society, such as the blue collar workers, the white collar workers, professional people, teachers, lawyers, doctors, are under attack. These income relationships are disappearing. We see groups in Canadian society who a few years ago would have recoiled in horror had anyone suggested that they were part of the labour force of this country.

Groups of nurses in my city two weeks ago set a deadline for a strike unless they received a pay increase of about 50 per cent. Doctors in the province of Manitoba working in psychiatric hospitals and other institutions have set a strike deadline; they may have gone on strike today. High school teachers in Ottawa have been on strike for more than four weeks. Why is all this happening, Mr. Speaker? Are these groups asking for too much? I do not know, because I have no way of judging; but I believe they are simply reacting to the free enterprise system under which we live, which teaches every one of these groups in the country: Look out for yourself because nobody else will protect you.

In the three years between 1972 and 1975 we have witnessed extraordinary increases in the profit margins of the corporations of this country. I should like to quote a few examples taken from the *Globe and Mail*, which nobody would accuse of being a very radical organ of public opinion. According to its issue for November 19, 1974, for the first nine months of 1974 profits of all industries increased by 36.2 per cent over the same period in 1973. Profits in 1973 were as much ahead of 1972 as the profits in 1974 were ahead of the profits of 1973. So if all companies had increased profits of 36.2 per cent, is it any wonder that teachers, postmen, letter carriers, nurses and firemen are asking for a 40 per cent increase? They are taking an example from people who have made substantially more than them.

Then on December 24, 1974, the *Globe and Mail* followed up its article by giving some examples of profit margins of different groups. Oil company profits for the first nine months of 1974 were up by 103 per cent over the same nine months of 1973. Chemical companies' profits were up 118 per cent in 1974 over 1973. Paper and forest companies' profits were up 78 per cent in the first nine months of 1974 over the same period of 1973. Imperial Oil, a corporation

[Mr. Orlikow.]

which I assume will be getting a \$2 or \$3 increase this week in the price of a barrel of oil, showed a profit in the first nine months of 1974 of \$252 million, almost \$100 million over the profit for the first nine months of 1973 when it made only \$154 million!

As I say, Mr. Speaker, is it any wonder that these groups are asking for increases in their wages and salaries? I am surprised they have not asked for more. Last year the cost of living rose by over 12 per cent. Thus we have a situation where we have very large wage and salary demands in both the private and public sectors of the Canadian economy, since workers are trying very hard to catch up or perhaps get a little ahead. That is a fact with which we have to live.

Let us look at what is happening to the people employed by the federal government. I am struck by the vast difference in the way in which the government deals with employees in the upper levels compared with those in the lower levels. At the top of the range, the maximum salary for a deputy minister was recently raised from \$50,000 to \$60,000. At the top, I find that more than 4,000 public servants receive a salary of \$25,500 or more a year. There were 2,000 public servants who in 1974 earned \$18,000 a year and more and were permitted to earn overtime pay, some of them as much as \$5,000 in the year. The number of SX employees grew from about 350 in 1968 to almost 900 in 1973. That shows the way the government has created employees at the top—generously.

So far as lower levels of employees are concerned, the low and middle income earners, the government has been tough. The President of the Treasury Board (Mr. Chrétien) was quoted as saying one evening on television that there would never be a Chrétien formula like the St. Lawrence Seaway formula, that he was going to protect the people of Canada against excessive wage and salary settlements. He stuck to his guns, and the federal public servants who belong to the Public Service Alliance of Canada went on strike and stayed on strike for weeks. They eventually got an agreement which gave them an increase in the neighbourhood of 29 per cent over the next 26 months. This is not much more than the increase in the cost of living and is probably not much more than the increase will be next year.

● (1640)

I believe there is a very fundamental, completely unfair and unwarranted difference in the way the government deals with senior public servants and those at the lower levels, just as there is a vast difference in the way the Minister of Finance (Mr. Turner) permits corporations to make excessively large profits and then appeals to the average Canadian to exercise restraint in wage and salary demands.

The proposal in reference to this increase for members of parliament is in the same vein as those that have been made for senior public servants. I agree that an increase is warranted and I say parenthetically, if we get an increase, I will spend it. However, is the size of the proposed increase warranted? I do not believe it is warranted, any more than the increases given to senior public servants and members of the private sector, senior executives and shareholders, were warranted. The proposed increase