

Main Estimates

Although the Standing Orders under which we are operating provide for questions to be put in circumstances of statements on motions at this time, if there are any questions at all I would think that they ought to be of a very general nature since the whole subject of the government's spending program will be the subject of questions in the standing committees. I would not necessarily eliminate the questioning at this time, but I would expect that if questions are to be pursued they will be minimum in number and of a very general nature.

Mr. Lincoln Alexander (Hamilton West): Mr. Speaker, I will certainly conduct myself accordingly with respect to your remarks. But I would say with all due respect that it is a little unusual; we did have fairly extensive questioning the last time. Notwithstanding that, we know the minister has perpetrated a further con job on the Canadian people, and as my friend from Calgary has indicated it is the biggest flim-flam that he has seen.

There are a few things which need explaining and I will try to speak to my area which is the Public Service. The minister indicated from here on, I hope this is what he said but I do not know what he said in this regard, that salary increases were to be based on total compensation. This is a new principle about which not much is known. I wonder if the minister can give us some indication of what he is talking about in terms of total compensation. When does he expect it to come into play, or is it in play now? Can he advise whether the provincial representatives with whom he and his officials must have met of late have also accepted this phenomenon, or principle as the case may be, of total compensation?

Mr. Andras: Mr. Speaker, I will be pleased to elaborate now, or at a future date in more detail. We have in fact been bargaining in the federal Public Service since about 1967 on the concept of wages and salaries and some identifiable benefits on the basis of comparability with the private sector where such comparisons could be established. We now intend to widen that to include all quantifiable forms of remuneration, not simply wages and salaries, although they obviously remain the most significant, and to establish comparative compensation levels on a total compensation basis in the private sector wherever that is possible.

● (1602)

In discussions with the provinces, they have agreed with the concept of bargaining on a total compensation package basis. They will have somewhat more difficulty in establishing comparability than we will because the make-up of our federal service is such that we think we can establish comparability for about 80 per cent of our people, whereas they have more firemen, policemen, and that kind of content in their make-up. Therefore they will have somewhat less. In some provinces they say that no matter what the comparability might be, their basic problem is simply that of ability to pay. The concept is being discussed with the bargaining agents. We hope to institute it soon, more precisely probably after April 14 at which time the current sanction controls come off.

Mr. Alexander: Mr. Speaker, there is another problem that has certainly exercised public servants, particularly those who are making over \$30,000. I hope the minister can clarify this right now. When the minister was asked questions about this matter, particularly by the hon. member for Victoria (Mr. McKinnon), he once again flim-flammed the hon. member. I want a specific answer so that those involved in the Public Service will understand what is in the mind of the minister. They believe that all those above the \$30,000 salary bracket will be removed from the bargaining unit. That is a simple statement in the form of a question. Can the minister give us an assurance, one way or another, on what is happening in this regard?

Mr. Andras: Mr. Speaker, I would not make such an announcement on this occasion. I will take this opportunity, however, to state that I have noted since I replied to the hon. member for Esquimalt-Saanich (Mr. Munro) that I made reference to the Finkelman report the other day. I have since been advised that is incorrect. The Lambert Committee on Executive Compensation did use it, but the other gentleman did not. I apologize for that. In answer to the hon. member, I will again say that if and when we have made a decision on the question of management or other exclusions, we will make it known in the House in the usual form.

Mr. Alexander: Before the minister makes a decision and announces it in the House, I hope he will take the unions involved into his confidence in order that we do not have heavy-handed unilateral steps. The minister said we are talking about a 9.8 per cent increase in terms of government spending. My colleagues will want to pursue this further. At the present time we are asking labour to restrain themselves to the extent of 6 per cent. As I understand it, under the AIB, the government, once again wrong in terms of its prognostications, indicated that the inflationary rate would be about 4 per cent this year. We all know that is way out of line. I would like to know whether those figures were given any consideration. What part of that 9.8 per cent is related to the inflation rate? Why was there no consideration given for using the inflation rate of 4 per cent which the government indicated through its AIB would be the guiding principle for this particular year?

Mr. Andras: The hon. member, as is only rarely the occasion, is mixing apples and oranges and grapes and bananas and coming up with the usual mélange of a very strange salad. To get to the point, as I indicated the 9.8 per cent represents about a 3½ per cent real growth. The rest is attributable to inflation which is applicable to government expenditures as to all other expenditures in the country. I do not see how he can possibly relate the 9.8 per cent to the wage guidelines which are one component of inflation but not the only reflection of costs related to cost increases.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the President of the Treasury Board (Mr. Andras) whether he will answer one of the questions put to him by the hon. member for Hamilton West (Mr. Alexander) which escaped him. Considering the two matters which he has