

Members' Salaries

their wage structure. I, personally, have one current account into which I put all my money and from which I make all my payments, and I do not worry about whether the money comes from the wages or allowance side. When that money is gone, I have to look for more.

An hon. Member: You draw on another bank.

Some hon. Members: Oh, oh!

An hon. Member: The one in Switzerland.

Mr. Peters: It is not quite that drastic, but I always have found that when you do not have the money, you cut down on something and very often it is the commitments you make on the basis of the allowance. I agree with the remarks of the hon. member for Waterloo-Cambridge in this regard only up to a point. I differ from the hon. member in that I prefer that the allowance be non-accountable. I was in a business for some time, operating on a salary plus an expense account and the expense account was considerably higher than the salary. I found that I could write off almost anything on the basis of expenses, but this involved a great deal of accounting. For this purpose one needs an accountant and a financial structure. One also needs to be as crooked as hell about a lot of things. Many of these things are legitimate expenses. For example, I operate a mobile office in my constituency because of its size. I know it would be possible to sell that unit to someone else who is not a member of my family, and rent it back, charging the cost against expenses. Whoever I rent the unit from has to carry insurance, pay for the licence and set up a bona fide accounting system.

Many of these expenses are legitimate but they must be accounted for by the individual for the purpose of his income tax. I know from experience that this never works out, so I have decided to operate the unit myself. From my point of view it is better to buy the unit, operate it yourself, carry your own insurance and licence and forget about the assistance provided by the government. I know that I could probably operate in a different way at a considerable saving, but this would involve a lot of monkey business and a lot of expenses that are honest in a business sense but morally irresponsible. For that reason I do not want this expense allowance on the basis of having to account for it. It is not that my expenses are anything but legitimate, but this involves hiring an accountant in order to write off all the legitimate expenses for the purpose of my income tax return.

I am the representative of the people who elect me and I am happy to make the expenditures necessary to represent them. When I have no more money, I spend no more in respect of that representation. I have in mind the cost of flowers for funerals as well as the cost of wedding gifts and other such expenditures. I would not enter the cost of the wreath for someone I knew as an expense or a deduction on my income tax. When I start providing wreaths for people who are not my friends and using the cost as a legitimate expense, I will quit buying them. Quite frankly, I do not want to see this allowance put on the basis of an expense account because I consider most expense accounts to be factually correct and acceptable to the Income Tax Department, but morally dishonest. They are legitimate as

[Mr. Peters.]

far as the Income Tax Department is concerned, but in my opinion they are often morally wrong.

There are other expenditures that could be added to those which we now consider normal. We, as members, no longer have to pay for our own stationery. I remember when we had to buy our paper. When I first came here I think we received 2,000 sheets free, and if you wanted more you had to pay for it: if I remember correctly, the wholesale cost to a member was \$2.75 per 1,000 sheets. We had such a lousy bookkeeping situation at the time that I always ended up paying twice before getting my account settled. We also had to hire extra staff. Many of us bought mimeograph machines. This place used to have many such machines out in the hallways because there was not room in one office for two members, two secretaries and a mimeograph machine. So the mimeograph machine was put out in the hall, where one often saw two or three people and a bunch of kids stuffing envelopes and sometimes working in the evenings and on Sundays. That has been stopped and we now serve our people better.

● (1610)

I think there are additional advantages we can obtain that will be of advantage not to us but to our constituents. I am pleased to note that there is a royal commission travelling around the world looking at the way in which other parliamentarians serve their constituents. I am awaiting their report with great interest. In the meantime, unless we are willing to do the same for all those for whom we are responsible, that is, provide a cost of living index which goes back to the last increase, then I am not prepared to support such a program for us.

Hon. Robert Stanbury (York-Scarborough): Mr. Speaker, here we are again, engaged in one of parliament's periodic exercises in self-flagellation. It is quite unnecessary. We could have done as several other countries have done quite sensibly, that is, provide for a system of regular, independent reviews of remuneration for parliamentarians. My bill, C-335, would have established such a system, according to which every four years a review would be made not only of the salaries of parliamentarians but of those of federal executive and judicial officers, and adjustments made as a result of its recommendations at the time of the following general election.

I have no objection to the salary levels proposed in this bill and I disagree with those hon. members who tell us that they are excessive. I think that any reasonable person, in looking at comparable salaries in the professional, academic or business world, or for that matter in the trades, would agree that the proposed salaries are quite reasonable. However, I take exception to the approach and the timing of this bill. With all due respect to those who have proposed it, both on the back benches and the front benches, let me say that there has rarely been a more tanglefooted effort in the history of this parliament.

I oppose the principle of indexing. I think that parliament should decide on the basis of independent review and recommendation. It should take the responsibility for fixing what the appropriate remuneration should be for the members of the next parliament. I do not believe we should be incorporating in this bill a provision for the