

*Government Orders*

\$50,000 a day for union leaders and \$1,000 a day for employees.

[*English*]

The fines for unions and union offices are, if they are not paid, to be collected through withholding union dues that the government collects on behalf of unions. There will be no jail sentences for non-payment.

The legislation covers all public servants and not just those who are on strike. The same provision will also apply to managers in the Public Service and to members of Parliament, the Prime Minister, cabinet ministers and their staff, members of the Canadian Forces and of the Royal Canadian Mounted Police.

Order in Council appointees will also be covered as will the heads and employees of other government bodies that are non-commercial in nature and not normally self-financing.

[*Translation*]

As I said earlier, Mr. Speaker, the bill will freeze wages for one year, whether they were set through collective bargaining or otherwise, and limit wage increases to 3 per cent the following year.

The wages of two groups whose collective agreements were bargained lengthily before the budget was tabled—I am referring to the Auditing Group and the Computer System Administration Group—will be adjusted for the period preceding the current fiscal year, but increases will be limited to zero and three percent for the following years. The legislation also makes an exception where any compensation plan established pursuant to the government wage policy came into effect after the budget was tabled but before this bill was introduced.

• (1030 )

[*English*]

The bill does not suspend all aspects of collective bargaining in the Public Service. I want to emphasize that it explicitly excludes benefits and services provided under the terms of policies arrived at through consultation under the auspices of the National Joint Council of the Public Service.

The NJC is a union-management consultative body that brings together the leaders of all the Public Service unions and officials of the Treasury Board to agree upon policies that then become annexes to all collective

agreements. Elements of compensation that are arrived at under NJC auspices include Public Service health insurance, disability insurance and dental care. And there are many other matters, including health and safety issues, that are discussed in the NJC.

We have deliberately left these policies and programs outside the legislation in order to provide scope for continued discussions between the unions and the employer representatives.

[*Translation*]

I would also want to stress that this bill does not affect pay equity within the public service. Over \$80 million in equal pay adjustments will continue to be paid to employees. Moreover, the bill in no way affects the application of the Canadian Human Rights Act. In other words, during the entire restraint period specified in the bill, the Canadian Human Rights Commission will be able to deal with matters that fall within its purview, including those relating to pay equity.

[*English*]

I would like now to close with some comments about issues that the bill does not address. As a general matter, I have sought to ensure that the legislation covers only those matters that are necessary to restore public services and to implement the essential features of the public sector compensation restraint program announced in the budget.

The agenda that we have been discussing with the unions is considerably wider than that. The Public Service Alliance has included three major issues, job security, contracting out and pay equity in its public demands, and representatives of the other unions have made it clear that they are interested in these issues as well.

I would like to say a word about each of them. In my June 19 statement I outlined the government's position on job security. We are not prepared to entrench no-layoff provisions in collective agreements. That would be irresponsible, but it would also be unnecessary.

I stated then and I repeat now that there is no reason for additional layoffs in the balance of this fiscal year as a result of the budget. In addition, I made a commitment that every current indeterminate employee of the Public Service who is affected by changes in specific jobs or by their elimination as a result of the budget will be offered a position on comparable terms for the period the wage