

you read that clause. What would you suggest as a draft that would be palatable? Of course, if it is totally acceptable to you, it will probably be totally unacceptable to the other side, and vice versa.

Have you and your group given any consideration to the kind of amendment that you would like to see to clause 12?

• (1800)

Mr. Fane: No, I have not spent a lot of time on an amendment to clause 12. I would prefer clause 12 to follow the guidelines set out by the Hope commission. Mr. Hope considered the economic situation of the railways but balanced it by ensuring that if the employment security were so very important to the union, the union should be remunerated in some manner reflecting that importance or the worth of employment security.

Senator Prud'homme: I am not sure we should not consider recalling Mr. Tellier. I am in that kind of mood, since we may have the time. Were you a witness at the House of Commons committee last night?

Mr. Fane: No.

Senator Prud'homme: Were you called?

Mr. Fane: No, sir.

Senator Prud'homme: Would you have gone if you had been called?

Mr. Fane: Absolutely.

Senator Prud'homme: It is strange that you were not called last night. Did you make any movement towards —

Mr. Fane: I do not know, sir. As I said earlier, that is why I did not show up in my shirt and tie.

Senator Prud'homme: Please, feel at ease.

Mr. Fane: I received a call at 12:30 to say our president, Mr. Hargrove, could not be here today. I took the two o'clock flight from Toronto. I am certain our organization, if invited, would attend in respect to both the House of Commons and the Senate.

Senator Prud'homme: I am glad that the Senate, at least, is taking this time. I am very happy that you appeared in the Senate.

The Chairman: Thank you, honourable senators, that concludes the period for questions. On your behalf, I thank Mr. Fane for appearing here this afternoon on such short notice.

Senator Prud'homme: While we are waiting for the next witness, can our distinguished house leader give us an update at this time?

Senator Graham: If I may, Mr. Chairman, the House of Commons has just finished a series of votes on supply; votes with which the honourable senator would be acquainted from his long experience in the other place. They have gone into private members' hour. As a result, we have nothing new to report with respect to any deliberations which may be taking place in relation to the progress of the legislation.

Senator Prud'homme: Do I understand, then, that debate is concluded for today on this bill in the other chamber?

Senator Graham: To quote a well-known baseball legend, "It's not over till it's over."

The Chairman: Honourable senators, our next witnesses are Mr. Terry W. Ivany, President and Chief Executive Officer of VIA Rail. He is accompanied by Mr. Mike Gushue, Vice-President of Public Affairs.

Mr. Terry W. Ivany, President and CEO, VIA Rail: Mr. Chairman, honourable senators, I am delighted to be here to help you, if I can, in your deliberations. The government's decision to legislate the parties back to work means, first, that we can resume our service and start serving our customers again. This is obviously good news for our customers.

As well, I must tell you that I have not really given up on the collective bargaining process.

I would now like to give you the background about what brings me here today. VIA Rail's collective agreements all expired on December 31, 1993. Since then, VIA Rail and its unions have been subject to various stages of conciliation as provided for under the Canada Labour Code. For a number of reasons, we have been unable to conclude a new collective agreement. However, we have made a very determined effort, and I believe we have come very close to signing an agreement with at least one of our major unions.

During this process, we had the report of Mr. Hope. Subsequent to the delivery of that report to the minister, the various unions were in a strike position, and VIA Rail was in a position to either lock out its employees or to promulgate rules, none of which we chose to do then because we felt it would have a detrimental impact on the ongoing negotiations.

As we all know, VIA operates over CP and CN track. When CP operations were curtailed by strike or lockout earlier this month, it had very little effect on VIA because 95 per cent of VIA Rail's operations are on CN tracks.

However, the strike by the BLEUTU meant that VIA Rail had no choice but to shut down its operations. That took place last Saturday, and we had to decide what to do about the rest of our employees at that time, particularly the CAW workers.

We had several options at that time: We could have locked out the employees, or we could have asked them to come to work, although we had no work for them to do. We were still confident that we could make progress on a collective agreement, so we chose the route of laying off the CAW, as opposed to locking them out.

At this point, I would like to acknowledge the successful efforts of VIA's management employees to get passengers to their destinations, especially given the fact we had three hours' notice of the strike from the unions. I can successfully or happily report that we have no passengers stranded at VIA, nor did we on the day the strike began.

This was obviously not an easy feat. VIA's operations stretch from coast to coast, Halifax to Victoria. If I may give you an idea of the nature of VIA's network, VIA serves and operates 421 trains weekly over 14,000 kilometres of track to over 400 communities nation-wide. This network carries more than 3.6 million passengers per year. In 1994, some \$508 million were necessary to provide these services of which \$176 million came