[Translation]

—at that time the real problem was precisely surplus employees and a cost of production which was over a third greater than in any other city in Canada.

[English]

I told them we are not going to create a Crown corporation for one city. If we create one for Montreal, why should we not create one for Toronto, Rimouski, Sept Iles, Vancouver, Rainy River—

An hon. Member: Or Winnipeg.

Mr. Kierans: -or Winnipeg.

Mr. Asselin: What about the CSN; what do they say?

Mr. Kierans: The CSN is not interested in this. The CSN is interested in the CSN.

This union says, "Administer and regulate the affairs of this company." I say this is not our business. We hand out 10,000 contracts and we expect the people to whom we have given the contracts in open competition to do a job for us. If they do not, we change them.

Mr. Valade: Will the minister permit a question?

Mr. Kierans: At the end of my remarks, if the hon. member does not mind. Now the union comes to me and says, "Find us another employer. You found us Lapalme last year. Get us another contractor." I say it is too late. We have already handed out contracts. We have signed the contracts and we will honour them.

Some hon. Members: Hear, hear!

Mr. Kierans: The latest proposal is—I say this for those who are skilled in union affairs—that I should tell the five successful contractors, "You will all join the CSN or your contracts will be annulled." What kind of bargaining is that?

An hon. Member: You should have done it originally.

Mr. Kierans: Wait a minute. That was their problem. They were asleep for five months and woke up only when there was a strike. I asked them, "Why should I tell these five contractors anything?"

An hon. Member: Is that how the opposition would choose a union?

Mr. Kierans: One of the contractors already has a union, that union being the Teamsters. 21701—30

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What will we tell the contractor who presently is dealing with the Teamsters? Will we tell him that unless he changes to the CSN, the contract will be null and void? Justify that to the Teamsters!

[Translation]

The guys from the CNTU do not need me any more. They are men and not children.

[English]

When the new contracts start on April 1, that is their problem. They can go out, as the Teamsters can, and bargain with the new contractors. They may be recognized or they may not. But they will not be under pressure from the government of Canada.

Some hon. Members: Hear, hear!

• (9:00 p.m.)

Mr. Valade: That's an easy way out.

Mr. Kierans: I assume the hon. member has a better solution. We have never heard it. It is quite obvious, Mr. Speaker-indeed, some speakers this evening have admitted it—that they have very little knowledge of what is going on in Montreal. I wish to give a brief resumé of the facts. There have been five breakdowns of service in the last year. Only the first of these was legal. Last year's illegal disruption, slow-down, violence, chain gangs, goons and threats lasted 32 days. We have had 2½ weeks of disruption so far this year. There were others previous to that; it has worked in the past. What has now happened is that the costs in Montreal are 25 per cent higher than in other comparable cities. Montreal has been held by the throat by a temporary arrangement each year. It is to be expected that sooner or later the government or the people of Montreal will crack. However, this year the government is not going to crack; and if the people of Montreal understand the situation, they are not going to crack either.

Mr. Asselin: They are going to suffer.

Mr. Kierans: What is responsible for the suffering? The hourly rates. Should we submit to the blackmail, as a Conservative government would?

Some hon. Members: Hear, hear!

Mr. Kierans: The total cost in Montreal last year—

Mr. Valade: Mr. Speaker, I rise on a point of order.