The board was established on April 27, the union nomination was made on May 4, the railway nomination on May 6 and the appointments were confirmed on May 9. Again, members were unable to agree on a chairman and on May 26 they advised the minister of their disagreement. The minister appointed Judge Little as chairman on June 9.

The report was received on August 12, the decision to strike was reached on August 22. The same timetable applies to board number 5, also under Judge Little, except that the application was made much later, on May 27. The rest was about the same.

That is the situation with regard to the procedure followed. There was no delay on the part of the government in setting up these boards and none in dealing with the reports when they were received—and they were not received until well into August.

It would in my view have been altogether wrong to have intervened when the first report only had been made. If the government had intervened at that time—though we knew, of course, the difficulties which were being encountered—negotiations within the other boards would have been made virtually impossible; they would probably have ended their work at that time. How could a mediator appointed by the government function with regard to one board while the others which were still working had not yet reported, and conciliation procedures were still going on? This illustrates the difficulty the government faced in intervening until the boards had completed the process of collective bargaining laid down by the law. That was the procedure followed in the other circumstances I have mentioned in 1950 and 1960.

But there were differences in 1960. In 1960 the unions fixed a strike date sufficiently far ahead of the date on which the strike was decided to give the government adequate time for negotiations. This was not the case in 1966.

Mr. MacInnis (Cape Breton South): Tell us why.

Mr. Pearson: If the hon. member would exercise that patience for which he is noted, I will try to come to the "why", now that I have disposed of the "what". First, though, I wish to put on record the wage recommendations of the two boards presided over by Mr. Justice Munroe having to do with the two groups of non-operating employees, covering about 72 per cent of all the employees. In making his recommendations for wage increases Mr. Justice Munroe took into consideration, as has been done previously, the comparable earnings in the durable goods manufacturing industries—this has become in recent years an acceptable standard of comparison in affairs of this kind. On the other hand Justice Munroe said—and I quote from his report:

> It may be said that the recent wage settlements in the Quebec longshoring and St. Lawrence seaway disputes should govern my recommendation as to wage increases.

There is no doubt they would have governed any recommendations made by the Leader of the Opposition if he had been chairman of the board. But Justice Munroe went on to say:

> I think not. It should be noted that the employees affected by such settlements are not working in durable goods manufacturing industries; such settlements are not typical or representative of negotiated wage settlements for 1966 and 1967 in such industries or in industry in general; such settlements involved a relatively small number of employees and arose out of special circumstances and facts which are clearly distinguishable. It would, I think, be no more justifiable to consider such settlements as governing factors in my determination than it would be to say that other wage settlements of amounts less than my recommendation which involve larger numbers of employees, of which many examples could be cited, should govern.

• (8:30 p.m.)

In my view—

Added Judge Munroe

> —a national standard, not individual settlements or regional standards, is the proper standard to apply to the national railway industry whose employees live in remote hamlets and in metropolitan areas across Canada. The national standard of the earnings of durable goods employees, adjusted for the factors referred to in my 1964 report, remains, I think, as the sensible standard because those two groups of employees are the most nearly comparable. Such standards has the support of many years of jurisprudence. It would, I think, be unwise to abandon it at this time in the interests of expediency.

On that basis, Mr. Speaker, the Chairman—a unanimous recommendation was not thought possible, indeed a majority report was not thought possible—made his own recommendations which would produce an average increase in earnings of more than 44 cents per hour over the two year period 1966-67.

Expressed in percentage terms this came to a 4 per cent increase effective January 1, 1966; a 4 per cent increase effective July 1, 1966; a 4 per cent increase effective January 1, 1967 and a 6 per cent increase effective