Senator Goldenberg: No. In his charge he would have to say that; otherwise he would be a fool, and I do not know of any labour leaders who are really fools.

Mr. Armstrong: There is an additional point which Senator Goldenberg made very well last night, but which has not been mentioned this morning. It is that there are three distinct avenues or exits from the formula right at the beginning. The intent is in accord with what Senator Lawson has said. While people may go to the board to have their rights ascertained, which is a reasonable principle, the legislation is framed in such a way–and it is a change from the earlier Bill C-253–as to encourage the parties to reach their own general agreement. If they do that, clearly there are three different ways–

The Chairman: We are dealing with the compulsory element of the legislation and not with the permissive element.

Mr. Armstrong: –and the balance of the formula will not apply. That point was made last night.

Senator Grosart: That has nothing to do with what we are discussing.

Mr. Armstrong: Yes, it has, in this way: we do not envisage that a large number of cases will get to the board.

Senator Grosart: The point is that our business is to prevent one misapplication of the act.

Mr. Armstrong: I think that is everyone's business. One cannot avoid people suing, taking action in the courts, for a variety of reasons. One cannot avoid that.

Senator Grosart: The fact that there are exemptions under the act has nothing to do with the argument. But the one place where there is no exemption may not be desirable legislation. That is my point. Everybody hopes that at the time of the original bargaining there would be complete disclosure of technological change in intent, and so on.

The Chairman: I am sorry, but I do not share your optimism, because I feel that as a result of this legislation unions, instead of trying to avoid, at the moment of the negotiation of the main contract or agreement, getting satisfactory provisions dealing with the effects of technological change, under the new bill they will be discouraged from doing that. Why should they become prisoners before the fact when they know that later on they will have a wonderful opportunity if they do not have such provisions in the main contract, to reopen the whole thing? If I were a labour leader–I know some of them and I have been involved in labour negotiations, and also labour fights, always on the labour side–I would never, with that kind of bill, agree in advance to any kind of procedure for a technological change that I did not get to know. Instead of providing an incentive for the parties to agree on procedures to deal with the effect of technological change when discussing the question of contract, I think it is a disincentive.

Mr. Armstrong: That assumes, Mr. Chairman, that nothing will take place in the bargaining and that the employers will not, in the light of the legislation of post-legislation, protect themselves by giving notice, for example. One must not assume that this subject will not be the background for subsequent bargaining. I think that it surely will be, and that employers will protect themselves by giving as full notice as they can.

Senator Lawson: To put your mind at ease, Mr. Chairman, in addition to those remarks, almost without exception every employer or trade union leader that I have been associated with would much prefer to rely on their own devices than to rely on any government tribunal of any kind. I think you will find that the overwhelming majority of disputes are resolved by the parties directly, as opposed to the parties relying on any tribunal.

The Chairman: If they want to so limit their powers, that is a surprise to me.

Senator Goldenberg: Mr. Armstrong made an important point which I myself intended to make. The employer gives notice. If the union does not want to agree, then there will not be an agreement.

The Chairman: That is exactly the point. For example, if you have a three-year contract between the Bell Telephone Company and its employees–and you know very well that there are a lot of technical changes taking place in the field of communications–the company itself may not know what technological changes it may want to introduce two years from the signing of that contract. I do not think that this deals with the point I have in mind. Not even the union would know, so why should they bind themselves by a limiting procedure when they have this wide open opportunity to reopen the entire contract to negotiations, including not only the aspect dealing with the effect of the technological change but with respect to wages, hours of work, and so forth?

Senator Goldenberg: No, Mr. Chairman, that is not correct. If you read section 152(1) you will see that they cannot reopen the whole contract. I will read that section into the record. It reads as follows:

> Where a bargaining agent received notice of a technological change given by or in respect of an employer pursuant to section 150, the bargaining agent may, within 30 days from the date on which it receives the notice, apply to the Board for an order granting leave to serve on the employer a notice to commence collective bargaining for the purpose of revising the existing provisions of the collective agreement by which they are bound that relate to terms and conditions or security of employment, or including new provisions in the collective agreement relating to such matters, to assist the employees affected by the technological change to adjust to the effects of the technological change.

That certainly restricts any reopening of the whole contract. That is very clear. I cannot see any other possible interpretation. I have heard it said that they can reopen the whole contract and renegotiate wages, but that is incorrect.