

Weichel
White
Winch

Winkler
Woolliams
Wratten—208.

NAYS
Nil

Bill read the third time and passed.

MAINTENANCE OF RAILWAY OPERATION ACT

PROVISION FOR CONTINUANCE OF RAILWAY OPERATIONS

Hon. Michael Siarr (Minister of Labour) moved the second reading of Bill No. C-45, to provide for the continuation of the operation of railways.

He said: Mr. Speaker, I am sure that the house will share the general regret that all efforts to achieve an agreement by compromise toward the settlement of the present railway dispute have been unsuccessful. I can say in all sincerity that every possible effort was put forward by the government to bring the parties to agreement. The measure which is now before the house represents in the opinion of the government the only possible action that can be taken at this time to avert a calamity of nation-wide proportions. That is what a cessation of railway operations at this time would mean, Mr. Speaker.

At this point I would refer to the words of the Right Hon. Louis St. Laurent, then prime minister, when dealing with a similar situation in this house in 1950. Mr. St. Laurent spoke against the background of a railway strike which had been in progress for nine days. That strike he described as a national emergency. If continued over a lengthy period of time, he told the house then, it would bring the economy of the nation to a complete standstill. This legislation, Mr. Speaker, is being brought forward in order to prevent a repetition of a similar national emergency.

In 1950 the emergency was allowed to happen. In 1960, it will not be allowed to happen. The first effect of a strike, at this time would be to throw out of work some 170,000 railway employees. This figure would be doubled by the resulting unemployment of those who depend upon the railways as a means of economic subsistence. In 1950, as an example, in addition to the railway workers unemployed as a result of the strike some 70,000 workers in other industries were laid off and in 1960 the figure would be substantially higher. The direct and indirect consequences which would flow from a strike at this time would be disastrous in their magnitude.

I am sure that this fact is apparent to anyone familiar with the importance of railway operations in our economic life. The action we are recommending to parliament today

Maintenance of Railway Operation Act

has the effect of simply postponing a decision on these matters until May 15. The reasons favouring this parliamentary postponement are paramount in their importance. There is, first of all, the primary consideration of the public interest. This must rank first and foremost in the thinking of any responsible administration.

There is also the interest of the railway employees themselves. As a matter of interest in this connection it is worthy of note that if the recommendations of the conciliation board were implemented at the present time they would mean a gain of about \$2.80 per week in the pay envelope of the average non-operating employee over the period from now, December 1 to May 15. This would mean about \$61 per employee. Assuming an average earning of \$70 per week, the whole gain would be completely wiped out in a strike of only one week's duration. The total loss to all workers involved would, of course, deal a substantial blow to the economy.

There is also the consideration that in view of certain events now in progress and which will not have reached their culmination until sometime in March, the goal of a reasonable and equitable settlement at this time was rendered most difficult of achievement. I refer, of course, to the recommendations of the royal commission on transportation which we expect to have at that time. As the Prime Minister mentioned, the commission will bring down its recommendations dealing with the freight rate structure, at which time the freeze on freight rates will be lifted. It is not too much to expect that negotiations following this action would take place in a more favourable atmosphere than that which prevails at the present time.

In this connection the Prime Minister (Mr. Diefenbaker) spoke as follows on Monday, as recorded at page 240 of *Hansard* for November 28, 1960:

I said that any acceptance of this request for a postponement was made on the basis that we did not intend to give a subsidy from the people of Canada, for in doing so we would simply be placing on the people of Canada as a whole a responsibility which at this time did not rest upon the people as a whole. I said that when the freeze was lifted on the increase of freight rates, which was imposed at about the time of the setting up of the royal commission, the union and the companies would be in a position to bargain again and, I repeat, without prejudice to the right of the union, on any request to go back to January 1, 1960.

That statement by the Prime Minister is clear and self-explanatory. It emphasizes, for one thing, that this government is not taking sides in this dispute. This government holds no brief for either side. The only brief which this, or any responsible government can hold is a brief for the public interest. The Prime