

Fertilizers has lost many millions of dollars. Today the operation is closed and the company is virtually out of business. CSP Foods, which processes canola, has been in great trouble. It is all part of the downturn in the grain business in this country.

I read in the newspapers that the Canadian Cooperative Credit Society has underwritten Osler Incorporated, one of the brokerage firms which deal on the Toronto Stock Exchange. I only know what I read in the press, and I read that the company has an exposure of \$40 million and may incur very heavy losses.

I am saying that management often demonstrates that it is not infallible, whether it be management of large cooperatives or of certain large businesses. In my judgment, in this instance the government, the minister, should have brought the parties together and should have made one more try to have agreement reached between the parties concerning the appointment of an arbitrator. I believe that management has been too rigid in holding to the position that under no circumstances would they agree to arbitration and the appointment of an arbitrator. It seems to me that when two parties are unable to agree, the least they could do is agree voluntarily that a third party should be called in to resolve their differences.

This legislation has received speedy consideration in the other place. I believe the debate occupied less than two hours in total, and I know that the Senate will not hold up the legislation, because it is necessary that the grain should move once again. I regret that the legislation is before us. I believe the union has taken a reasonable position. I was pleased to read the speech of the Liberal critic in the House of Commons, Jacques Guilbault, who, on behalf of the opposition, took a very responsible and balanced point of view on this very difficult question.

The other day I was privileged to meet with Shirley Carr, President of the Canadian Labour Congress, and I found her attitude toward this dispute and to the positions held by the union and the farmers to be reasonable. I know the members of the union and the farmers well. What stood in the way of an agreement was not the attitude of the rank and file cooperative members but the attitude of management, which said that under no circumstances would employees operating computers be part of the collective bargaining agreement.

The challenge for Canada in the future will be to have a system that will allow for free collective bargaining and for unions to represent a very large proportion of the employees in those industries with which they are associated, and this to include computer operators.

● (1530)

Hon. H.A. Olson: Honourable senators, the background and history leading up to the situation where the government felt it necessary to bring in back-to-work legislation—namely, Bill C-106—has been reasonably well described by Senator Kelly and reviewed by Senator Argue, so I shall not go into that part of the problem. I expect that the Minister of Labour, or at least some of his officials, will be here to answer questions. I have not been informed as to whether or not we are going into

Committee of the Whole, but I take it from the nodding heads I see that that is probably the next stage.

Honourable senators, I have one or two questions I would like to ask now so that the officials can be prepared to answer them when they get here. Bill C-106 is reasonably standard back-to-work legislation, which we have seen a number of times. In fact, some people have mentioned that we have seen it far too often. The bill contains the penalties, and so on, for non-compliance by labour union officials and provides for prevention of lock-outs, and that sort of thing. However, one clause in the bill is very different, and that is subclause 5(2). Subclause 5(1) extends the collective agreement for a specified period, to December 31, 1989, which is fairly standard procedure. However, subclause 5(2) reads in part:

—the collective agreement shall be deemed to be amended by the incorporation therein of the terms and conditions of the collective agreement between the B.C. Terminal Elevator Operators' Association and the union and in effect for the period—

And it goes on to describe the period. It amends the agreement that is to be extended to the Prince Rupert Terminal by something that is included in the agreement that is applicable to the Vancouver Terminal. Senator Kelly referred to this matter more than once, but he did not describe exactly what would be included in this agreement.

As I understand the dispute, it is over who will run the computers in Prince Rupert. This is an important issue in this particular terminal, because, as has been described, it is the most modern grain terminal in Canada and perhaps in the world. It has a lot of modern, sophisticated machinery that is managed or controlled by computers, which is a phenomenon that is happening in a lot of industries. The legislation does not say whether or not it is this aspect of computers in the agreement for Vancouver that will be brought into the union-management agreement for Prince Rupert. Who will run the computers? Will it be the supervisors and management or will it be members of the labour union? That is a question I would like answered. Senator Kelly tried to indicate that this aspect was, in the view of the government, or in the view of the Minister of Labour, a reasonable amendment to the agreement. However, I have read with some interest the press reports from time to time and I have not seen anything that would indicate to me that the agreement between the union and management at the Vancouver Terminal is such that it deals with all the advanced and advancing technology, if I may put it that way. I hope that in closing the debate Senator Kelly will tell us whether it is this aspect of the agreement in Vancouver that is being included in the Prince Rupert agreement to make it acceptable.

That is my main question. I have a number of other questions with respect to ongoing amendments to the Labour Code so that such matters can be dealt with in the future. I did not hear the sponsor of the bill give any indication as to what the government intends to do with respect to this matter, but obviously they have run up against a problem. Management says that there is no way they will allow the labour union to