

The following reply was received from Mr. Gamble Jan. 3:

"Re your telegram today the brotherhood appreciates the gravity of the situation arising from strike action and gave careful consideration to its many serious implications before reaching decision to withdraw from service of the Canadian Pacific Railway stop Further it continues to bear in mind all the adverse effects that may result stop But in view of the several facts among them that the Canadian Pacific Railway is the only important railway of the North American continent refusing to withdraw those demands in the diesel issue and also refusing to grant locomotive firemen deserved wage increases the brotherhood cannot conclude otherwise than that the primary responsibility rests with the company stop May we restate our position: that the important wage issue be settled on a basis such as granted other railway employees stop We believe that an independent tribunal such as we discussed could render a valuable report on the diesel issue and we continue to be ready to work with such a tribunal in a thorough study of firemen duties and universal acceptance of them by others than the employer in this case."

The following reply was received from Mr. Crump Jan. 3:

"Referring to your joint wire date to Mr. Gamble and me regarding dispute between locomotive firemen and enginemen and Canadian Pacific Railway stop As you realise from our discussions in Ottawa Canadian Pacific is keenly aware of the hardship and loss that will be suffered not only by other Canadian Pacific employees but by the many communities served by Canadian Pacific as well stop To prevent this calamity Canadian Pacific is still agreeable that the diesel issue be submitted to an independent tribunal for final disposition and that other issues be settled by negotiations between the parties stop Operations could be resumed forthwith on this basis."

#### APPENDIX "D"

January 7, 1957.

On Saturday morning a delegation from the negotiating committee of the Brotherhood of Locomotive Firemen and Enginemen met with the three executive officers of the Canadian Labour Congress—President Claude Jodoin, executive vice president Gordon Cushing, and secretary treasurer Donald MacDonald. As a result of these discussions a proposal was developed by the C.L.C. with Labour Minister Gregg shortly before noon Saturday.

Mr. Gregg, in turn, conveyed the plan to Prime Minister St. Laurent who placed it

before the company. The proposal was acceptable to the brotherhood. Since Saturday afternoon union representatives have been standing by in the hope that the company would accept and so enable the issuance of an immediate back to work order by the union. No such reply has been received.

The suggestion was:

1. The establishment of a commission to conduct a public investigation of all the effects of transferring firemen's work and responsibilities to other employees on all railways in Canada.

2. The commission would be composed of seven members. Two would represent the company's viewpoint; two the union's; and three impartial public members, one of whom would be chairman.

3. The commission would hold public hearings with full power to make on the scene study of actual operations and working conditions on all railways.

4. The commission would have until December 31, 1957, to make its report to the government.

5. The pattern of adjustments applied during 1956 to other railway employees in Canada would be offered to the B.L.F.&E. All other conditions of employment would remain unchanged.

The view was expressed by representatives of both the congress and the brotherhood that the type of commission and enquiry proposed would meet the need for further investigation. This need would not be served by an arbitration procedure. It would be highly improper to arbitrate matters of public safety, safety of other railway employees, and issues which have implications which will inevitably extend into the operation of all other railways. The universal nature of these issues is shown by the fact that the same demands made by C.P.R. were also voiced by the C.N.R. and all major railroads in the United States, but were subsequently withdrawn by all these railroads including subsidiaries of the C.P.R. in the United States.

Claude Jodoin, president of the Canadian Labour Congress, commenting on the proposal, said: "We have discussed this matter thoroughly with the brotherhood and they are quite in agreement with us that it offers a fair and reasonable solution to the current work stoppage. The union feels that the public is not now familiar with the actual facts and these could be brought out by a public enquiry of the broad and comprehensive scope contemplated in this suggestion. Acceptance of this proposal by the railway would mean that the way is immediately cleared for the resumption of railway operations. The hesitation of the company in accepting such a proposal is incomprehensible