

Legislation Respecting Railway Matters

first seven months of this year railway revenue is up another \$29 million. I think it will not be lost on the railway workers of Canada that while the government is asking parliament to restrict their wages to an increase of 6 per cent in the year 1966 no provision whatever is made for restraining in any way the profits which will be made by the railway companies. Nor is there any provision which says that when this matter goes to arbitration the railway companies will be required, in arguing their ability to pay, to take into consideration not only their railway revenue but also the vast revenues they get from their other operations which were started and financed out of the profits derived from their railway operations.

• (4:50 p.m.)

For years it has been a sore point for many of us in western Canada that when we argue before the Board of Transport Commissioners with respect to freight rates the railways insist that their financial ability should be based solely upon their railway revenue. The millions of acres of land they have obtained as a free gift are not included. Their mining operations, their forestry operations, their sales of land, their petroleum operations and their great investment companies are left out of consideration when they argue as to what wages they can pay or what freight rates they should charge. As a matter of fact, the Canadian Pacific Railway for several years has been divorcing its railways operations from its other enterprises. It is looking to the day when some government in Canada will take over the railways and establish a national railway system.

If any government in this country is ever faced with the prospect of taking over the Canadian Pacific Railway, I hope it will have enough sense to take over all the Canadian Pacific Railway's assets and not merely the railway. Those other assets have been built out of the profits which the company has made from its railways and out of land grants consisting at millions of acres of land which it received from the respective governments of Canada.

It is significant, Mr. Speaker, that although the government is now going to impose a settlement on the workers by this legislation, which tells the trade union leaders to order the men back to work, there is no suggestion that it is prepared to appoint an administrator of the railways as we suggested should have been done when the longshoremen's

strike went on for so long last spring. The only way that the railway workers of this country will know that collective bargaining under a mediator will be genuine and effective is if there is an administrator over the railways during all that period of bargaining and negotiation.

In this party we believe that the wage increase provided for in this legislation is inadequate and that it will be ineffective in bringing about the result the government desires. The 6 per cent for this year follows the formula proposed by Mr. Justice Munroe and by Mr. Justice Cameron. But the rest of the formula, which was that there should be a further increase of 4 per cent for the first six months of 1967 and 6 per cent increase for the last half of 1967, is not to be found in the legislation. This leaves the determination of what railway wages will be in 1967 completely up in the air, completely at the mercy of a board which has not yet been appointed. I say that because I am taking it for granted that the railways will not do anything effective with respect to free bargaining and negotiation between now and November 15.

The very least that the railway workers had the right to expect was that if they were to be ordered back to work they would be given an increase of 18 per cent spread over a two year period in line with the Munroe formula. In my opinion the government would have been justified in giving them 25 per cent. That would have been less than the workers were asking. Twenty five per cent can be fully justified in the light of wage rates being paid in the durable industries.

The proposal contained in this legislation is scandalously inadequate and indicates the extent to which this government is out of touch with the people of Canada. If anyone thinks that this statement is too strong, I call as a witness the outstanding Liberal newspaper of Canada, the *Toronto Star*, which says in an editorial in today's issue:

It's incredible that the government could have got so far out of touch with the mood and need of the railwaymen.

It goes on to say:

What if they don't go back? A provision of the Criminal Code specifies two years imprisonment for anyone who disobeys an act of Parliament. Can anyone seriously believe that this is going to be applied against 117,000 railway workers?

No, the government must be rescued from the ludicrous and dangerous position in which it has placed itself and the country.