

Apparently this 37 per cent increase is well within the guidelines issued by the Anti-Inflation Board. That frightens me, and is an interesting commentary on the guidelines. They allow between 10 per cent and 12 per cent more to wage and salary earners, and 37 per cent more to banks.

I think I have shown that this program will not stop inflation. It is not equitable, as it bears most heavily on wage and salary earners and least heavily on the self-employed or those whose income comes from company profits.

Despite its shortcomings we shall support the bill, as it will allow employers or employees who consider themselves adversely affected by a decision of the Anti-Inflation Board to appeal that decision. We say that every person in Canada should be allowed to appeal a decision if he, or she, feels that the decision went against them or was unfair.

A shortcoming of the program is that it will encourage the growth of bureaucracy. The hon. member for York-Simcoe (Mr. Stevens) said in so many words that the staff of the Anti-Inflation Board originally was supposed to be small, but has now grown to over 400 employees. Indeed the chairman of the board, Mr. Pepin, is reported by newspapers to have said that the board must deal with a backlog of wage and salary claims and can no longer guarantee a decision in 30 days. A decision may take up to three months. After a union and company have bargained and come to an agreement, they hope within the guidelines, they will need to wait up to three months before learning from the Anti-Inflation Board if the settlement will be permitted as coming within the guidelines. In the meantime I presume that the company will put the extra money it wants to pay employees in escrow or some kind of trust fund.

This bill will allow employees or employers to appeal to the administrator. So far, according to television reports, the administrator has worked with two assistants and some office staff, on a budget of close to \$200,000 which he has not been able to spend. Obviously if employers or employees appeal to the administrator on grounds that they have not been dealt with fairly, the work load of the administrator will increase.

Why would employees or employers not appeal decisions of the board? The board is unlike any administrative tribunal I have ever known in this country. For instance, it is not like the Unemployment Insurance Commission which has established a host of precedents covering every conceivable circumstance which might confront it. For example, a person might be disentitled to benefits if his premiums were not paid long enough, if he did not try hard enough to look for work, and so on. If an employee feels he has been unfairly dealt with, he can examine the precedents to see if his claim is valid. Whether he has been fairly treated is another question. At least he knows how the commission works. The Anti-Inflation Board does not do that. It hands down a ukase from on high. It says, "You must reduce wages by 2 per cent or 3 per cent," or whatever the figure is. It takes little account of historical precedent average income in the area, and so on.

I predict that employees and employers in increasing numbers will appeal to the administrator. Not only are we allowing appeals to the administrator, as we should but the

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entire program will encourage appeals to the appeals tribunal. Its staff will need to be increased. Unless it supports in a routine way the findings of the Anti-Inflation Board it will need to examine all the evidence and arguments again. Therefore one new bureaucracy is being built up in the Anti-Inflation Board, another in the administrator's office and a third bureaucracy will be established to work with the appeals tribunal.

That will not be the only effect of the board. I have already said that the chairman of the Anti-Inflation Board will not guarantee decisions in one month. Decisions may take up to three months. As more and more appeals are entered we can expect delays of up to three months at the administrator stage of the proceedings. Similarly there will be a delay at the stage where appeals can be made to the appeals tribunal. I predict delays from three to six months after agreements are reached by the union and the employer in the negotiations now taking place or likely to take place in the next few months. Justice delayed is not justice. It is unfair to the employees. It is unfair that employees who negotiate in good faith will have to wait for months before they know what is happening. It is also unfair to employers. It will create tremendous problems for them.

● (2110)

Think of the problems of a construction company which sees an advertisement stating that the Government of Canada, a provincial government, municipality, school division or private corporation wants to construct a building. It is asked to submit bids on that. What contractor can, with any confidence, submit that he is prepared to take on the job without knowing the wages he will be paying to his carpenters, electricians, plasterers and labourers hired to work on the construction of that building? How can he put in a proper bid without that kind of information? How is he to know whether there will be the kind of delays I indicated are likely to take place as a result of this legislation?

I am sorry that the Minister of Labour (Mr. Munro) found it necessary to leave the Chamber. I am sure he would agree with what I am going to say. If you want industrial peace and a strike-free relationship between employers and employees, you try to settle differences as quickly as possible. If someone is penalized for breaking the rules, suspended for a week or month, or dismissed, and the employee and his union believe that the punishment was unfair or too severe, they file a grievance. Anyone who has looked at labour-management relations knows that it is necessary to settle problems as quickly as possible. If a grievance cannot be settled on the shop floor it has to go to the head office of the company, an impartial arbitrator, or to the courts, as many cases do. The post office is a good example of how stubbornness on either or both sides can delay the settling of complaints or problems. Hostility builds up on both sides. Instead of being deflated they become inflated, and further problems are created. That is what this program is doing.

This program is not leading to better co-operation and less difficulties. As we said from the beginning, it is leading to hard feelings between employers and employees, and to estrangement between unions and employers.