

unions for midnight, August 23. So Mr. Carson regrettably adjourned the mediation meetings.

Then on Monday of this week, in the face of the present strike, the parties were summoned to Ottawa for one final attempt at mediation. Mr. Carson's services were made available to the parties. In addition to that, the Associate Deputy Minister of Labour, Mr. Bill Kelly, joined the meetings. Mr. Kelly led this week's meetings in characteristic fashion, keeping the railway and the union negotiators hard at work through Tuesday night and well into Wednesday evening. I am informed that no reasonable avenue for settlement was left unexplored during the intensive and exhaustive mediation sessions. In spite of the urgency, the parties did not take advantage of that final opportunity to settle their differences and end the dispute.

I may say that in the case of the three other disputes, for which we are providing an imposed settlement, if necessary, there is also a history of eight months of attempts to conciliate. Unfortunately, these efforts have not yet succeeded in achieving settlements. We do not wish to remove from the parties in these other three disputes the prospect, even at this late hour, of freely negotiating their own settlements, but the government and Parliament cannot ignore the potential for further disruption of the nation's rail services and of the nation's economy, which these disputes represent. Hence, if necessary, the provisions in this bill will deal with these three disputes, as the provisions of the bill deal with the strike that is under way, by having proclaimed at an appropriate time the three relevant sections of the bill.

Let me take just a moment to summarize the provisions of the bill. Initially, the bill provides that each affected railway company shall forthwith resume operations of its railway and subsidiary services; every employee shall forthwith resume his or her duties when so required; each affected union and officer or representative of those unions shall forthwith give notice to their members to facilitate the required resumption of railway operations and of employment duties; no railway company or any of its officers or representatives shall impede an employee from resuming employment duties when required or in any way discipline any employee for having been on strike prior to the coming into force of this legislation. These provisions are designed to fulfill the main purpose of the bill, to restore the rail service operations that are of key importance to our economy.

Beyond the resumption of rail operations, the bill, as I have indicated, provides for the extension of each relevant collective agreement and for the settlement of the collective bargaining disputes by arbitration. Initially, each collective agreement will be extended for two years, that is, to December 31, 1988, with the provision that this term could be extended at the discretion of the arbitrator for a period of up to one additional year.

● (1440)

The arbitrator, as I have indicated, will be required to decide all matters referred within 60 days, although there is discretion vested in the minister to extend this period, if

necessary. The report of the arbitrator shall be prepared in a form that will enable its incorporation into the appropriate collective agreements and, as I have said, the amended agreement will be deemed to have effect as of January 1, 1987.

Honourable senators, I am sure I need not take your time to discuss at any length the importance of the railways to our national economy or the terribly disruptive effect that a rail strike has on our economy. Suffice it to say that in this country some 40 per cent of all freight tonnage moved is accounted for by the railways. More importantly, the producers of some commodities are virtually tied to rail transportation in order to move their products to markets economically. Western grain farmers are the obvious example of this. The producers of other bulk products in western Canada and in other regions are also seriously affected by a disruption of rail traffic. Manufacturers, exporters, importers and just about every sector of the economy are in some significant way harmed by a cessation of rail services.

Increasingly, commuters in our large urban centres have come to rely on rail passenger services to take them to and from their places of work. The situation in this respect is very serious, especially in Montreal and Toronto.

In addition to the direct impact of the halting of rail services, there is also the immeasurable harm done by the so-called ripple effect of a rail strike. Industries which cannot obtain parts or which cannot ship their goods are required to shut down production and lay off employees. This ripple effect is probably the most insidious and the most damaging to the overall economy. The longer a rail strike lasts, the more far-reaching the impact on Canadians throughout the country.

VIA Rail employees, who have already reached an agreement and renewed their collective agreements without any work stoppage, have already been subject to layoffs. Seafarers on the Great Lakes system and in our coastal waters could be among the next groups to feel the effect. Then there are longshoremen and other port workers. It may take somewhat longer for the impact to be felt in other areas of trade and commerce, but we all know that if a work stoppage is allowed to continue, the effect will inevitably spread throughout the production and distribution chain.

Interfering with the collective bargaining process is a very unpleasant duty that parliamentarians are sometimes called upon to perform. None of us likes it. All of us who are proud of Canada's record in labour management relations, including a pretty good record on the railways, regret the necessity to have to take this kind of action. Indeed, this is only the fourth time in 37 years that Parliament has been asked to terminate a railway work stoppage. Parliament—in those cases in the past, as in the present case—is called upon to act only after the parties to the dispute have been given every opportunity and every assistance to settle the dispute by themselves. Parliament—in those cases in the past, as in the present case—is called upon to act only when it is obvious that a continuation of the dispute would be at the expense of the national interest. That is what is at stake here.