Mr. St. Laurent (Quebec East): Well, Mr. Speaker, no decision has been reached on that point, but I can assure the hon. gentleman that we have been giving earnest consideration to the problem and we still hope there will be no interruption in transportation services.

STATEMENT REGARDING IMPENDING SEAMEN'S STRIKE ON GREAT LAKES

On the orders of the day:

Mr. G. D. Weaver (Churchill): I should like to address a question to the Minister of Labour. In view of the importance to western Canada of the movement of grain at this time, would the Minister of Labour make a statement regarding the reported shipping strike on the great lakes?

Hon. Milton F. Gregg (Minister of Labour): Mr. Speaker, I thank the hon. member for Churchill for sending me notice of his question. As this dispute has reached an interesting stage in its development, I should like to take advantage of this opportunity to give the house a fairly full account of the background of the dispute.

On December 14, 1955, the association of lake carriers representing Canada Steamship Lines Limited, Colonial Steamships Limited, N. M. Paterson and Sons Limited, Upper Lakes and St. Lawrence Transportation Company Limited, Hall Corporation of Canada, Mohawk Navigation Company Limited and Beaconsfield Steamships Limited, served notice on the seafarers' international union of North America, Canadian district, requesting the union to commence collective bargaining.

On January 12, 1956, the seafarers' international union of North America, Canadian district, requested the services of a conciliation officer and listed the issues in dispute which were: (1) A change-over from the traditional system of payment by the month to payment by the hour and also an increase in wages. The union asked for a schedule of hourly rates ranging from \$1.50 per hour to \$2.03 per hour, depending on classifications. (2) Fourteen days annual vacation with basic pay to be computed on a daily basis, vacation pay to commence on the first day for which wages are paid and conclude on the last day for which wages are paid. (3) Eight statutory holidays to be paid for at the rates established for work performed on Saturdays and Sundays. (4) Normal work week shall be the five week days of eight hours per day, Monday through Friday. (5) There shall be paid to those whose work exceeds 40 hours payment of double the basic hourly rate. (6) A company contribution of 20 cents per day per man to the welfare plan.

Inquiries of the Ministry

On January 16, 1956, I appointed a conciliation officer. On January 27, 1956, the conciliation officer reported to me that he was not able to bring the parties to a settlement, and he recommended that a conciliation board be established. On January 31, 1956, a conciliation board was established. The board was under the chairmanship of His Honour Judge Walter Little of Parry Sound, Ontario. The other two members were J. Clifford Adams, Q.C., and John Raymond, nominees of the companies and union respectively.

The board met in Toronto on March 14 and in Montreal on March 28 and 29 and submitted its report on April 17, 1956. The report of the board stated that there were three issues between the parties which offered difficulty of settlement, these being:

(a) The schedule of hourly rates involving a shift from a monthly basis of payment to an hourly basis of payment, and calling for substantial increases in rates of remuneration.

(b) Limitation on hours of work.

(c) Increased payment for overtime work.

The board attempted to persuade the parties to enter into negotiations with respect to these major items with the following results:

- (a) The union representative insisted that the companies concede the hourly method of payment instead of the monthly method before negotiations could commence.
- (b) Counsel for the companies stated that they were prepared to offer a reasonable increase and suggested that consideration of the hourly or monthly method of remuneration should be deferred without prejudice pending determination of the amount of wage increase acceptable. The wage increase would be tabled before the board if the union would admit that some substantial reduction in the total increase demanded would be acceptable.
- (c) The union would not agree to defer consideration of the method of payment, and would not, the board said, indicate even privately to the board what modifications, if any, in its original proposal it was prepared to accept.

The board in its report said in part:

The union appeared to be under the impression that it would seriously prejudice its position if it were to discuss the amount of total increase without first having obtained the agreement of the companies to an hourly basis of payment. Without such prior commitment the union did not appear to be interested in finding out what amount of increase the companies thought was reasonable.

Under these circumstances the board could not make any progress towards conciliating the dispute and, therefore, feel obliged to conclude the

proceedings by making this report.

With respect to most of the issues, as indicated above, we do not believe that the parties would have any difficulty in resolving them, and probably any comments from this board would not assist