

*Industrial Relations*

vesting of pension rights. I should like to quote paragraph 32 of the report:

Vesting of pension rights, which is a guarantee to the worker of an equity in his pension plan based on all or part of his accrued pension credits should he leave his job prior to the time that he becomes eligible for retirement, tends to make the pension structure more flexible, thus increasing the potential mobility of the worker.

There are some further recommendations which are listed under "financial measures". One of these is severance pay, another is unemployment benefits and mobility allowance. The Economic Council report recommends that employers set up funds for phased out workers in these three areas. On the subject of severance pay, the report says:

The purpose of severance pay is to provide a lump sum cash benefit to workers who become permanently separated from their firms due to technological or other changes.

Supplementary unemployment benefits would be supplementary benefits to those provided by the government unemployment insurance scheme. Mobility allowances would be mobility allowances in addition to the government program of mobility allowances and these would be provided by the company. Benefits of this type have already been won in many instances by workers through collective bargaining. I refer particularly to the steel industry, to the meat-packing industry and the rubber industry in the United States.

Again, I should like to refer to the paper prepared by Mr. Kassalow, the research director of the C.I.O.-A.F.L. in which he refers to benefits of this type:

For the successful handling of automation and related problems there must be increasing acceptance in collective bargaining of the concept that workers have a property right in their jobs. With this in mind: "the cost of obsolete workers should be viewed as a charge on industry just as rational as the cost of machinery."

I think that is a very important principle that we must accept, Mr. Speaker, because if they can accept the principle that they provide for obsolescence of machinery, they can as well provide for the obsolescence of the job performed by employees, the employees themselves being much more important.

● (5:50 p.m.)

Before I leave this particular report dealing with manpower adjustments to technological change, I should remind the house that the Economic Council is a group which has very good representation from labour, management and nearly all provinces in Canada, and therefore the recommendations made in this report carry a lot of weight.

[Mr. Allmand.]

The other report of the Economic Council to which I referred, entitled "Towards Better Communications Between Labour and Management" deals mainly with labour-management consultation. I suggest that if on both sides we are to have the exchange of knowledge and information with respect to technological change as recommended in the report I have just referred to, we must have the institution of procedures for consultation.

In the report the Economic Council states this:

The main instrument to bring about a system of effective communication and consultation at the plant level is through joint consultation committees, operating on a continuous basis. These committees would consider all matters that are not usually reserved for collective bargaining, or fall within the procedures for settling grievances arising out of the interpretation, administration or alleged violation of the collective agreement. In other words, these committees—

This point is important, Mr. Speaker.

—would assist and supplement but not interfere with the collective bargaining process and established grievance procedures for dealing with the administration of the collective agreement.

For many years now the federal government has been encouraging the formation of labour-management consultation committees. This has been successful in some respects, but it must be recognized that there is still some suspicion of this process. I think if these committees were understood in their proper context they would be acceptable and would do a lot to relieve the employees from the shock they experience at the introduction of technological change.

Before I close, Mr. Speaker, I should like to mention that in the United States tripartite committees consisting of labour, management and government have been set up to deal with technological change. Although it is important that labour and management consult on a continuous basis, I think it is also important that government keeps in very close touch with both labour and management so that it can plan its legislation and departmental programs to work together with management and labour, as well as enable the government to formulate its other programs which are not directly under the labour department but which do a lot to help workers who have been phased out by technological change. Here I think of the war on poverty program, and programs to revitalize potential abandoned towns, the establishment of new industries, better transportation policies in areas newly affected by technological change, the building of technical schools, and so forth.