

*Industrial Relations*

what is normally termed the summer holiday.

I have on other occasions pointed out that these are extremely complex problems and must be considered in the light of their effect on private industry and regional differentials. The government has therefore been giving this matter serious and urgent consideration. This does require considerable time to expound and, certainly, the hour allotted to private members' legislation would be completely inadequate to deal with this question in detail.

The government's proposed legislation, as is I believe the case with the hon. member's proposal, anticipates covering all industries under federal jurisdiction including transportation and communication, banks, grain elevators and feed mills, crown corporations and so on. And, of course, it would be expected that it would have application to all those employed by the government itself. In total, about 11 per cent of the non-agricultural force would, therefore, be covered.

Industries within the federal jurisdiction are for the most part relatively high wage industries. It is estimated that some 50,000 workers out of a total of about 550,000 within federal jurisdiction currently receive wages of less than \$1.25 per hour. This represents about 1 per cent of Canada's non-agricultural labour force.

While complete statistics are not available as to the number of workers within provincial jurisdiction who earn less than \$1.25 an hour—

**Mr. Knowles:** Would the hon. member permit a question? Since he has just said that that figure is roughly 10 per cent of the federal labour force, does he think it is fair to say it is 1 per cent of the total? He should compare like with like.

**Mr. Byrne:** I do not know that I understand the hon. member's question correctly, but this 10 per cent does represent about 1 per cent of the total labour force.

**Mr. Knowles:** The hon. member created the impression that the passing of this legislation will affect only 1 per cent of the total work force in Canada. But it would affect 10 per cent of those covered by federal labour legislation, and could it not be presumed that this kind of legislation would, if enacted generally affect 10 per cent of the total working force of Canada?

**Mr. Byrne:** The hon. member can make his argument if he wishes. I am sorry he did not find time to do that when he was talking

about former Liberal promises. Perhaps next time he will deal with this matter in more detail.

The field of provincial jurisdiction includes many high wage industries, but it also includes a number of low wage industries. Industries such as bakeries, food canning, confectionery, dairy products, leather footwear, clothing, textiles, saw and planing mills, retail trade and some of the service industries including laundries, hotels and restaurants employ substantial numbers of workers at rates below \$1.25 per hour.

**Mr. Winch:** Aren't you ashamed of that?

**Mr. Byrne:** Yes, there is no doubt that \$1.25 is a very low rate indeed, and it is difficult to understand how individuals and families are able to live on such a rate. At the same time, it is the provinces which are responsible for setting minimum wages in these areas. I think the hon. member will agree that even in Saskatchewan we have not yet arrived at \$1.75 an hour as a minimum rate of general application.

It is estimated that the immediate cost to the employers directly affected would be approximately \$17 million in one year. Of this immediate increase, about one third would likely be borne by the banks with whom, I am sure, not many members are likely to feel much sympathy. They could absorb part or all of the increased costs by transforming year-end bonuses to the payment of higher rates of wages. There may be, however, important secondary cost effects through the impact of this legislation on the wage structure of the economy. It is not possible to make an estimate of these secondary cost effects but it is thought by some people secondary effects could be significant. These are the people, of course, who are opposed to the suggestion that there be a minimum wage established. Surely the establishment of a minimum wage standard and, for that matter, better working conditions for Canadians, is a highly desirable objective. But the matter must be approached with a certain amount of caution; otherwise serious consequences and dislocations do result. I am sure the hon. member has noted that just the other day in Ontario it was necessary to revoke an order for \$1 an hour, I believe, and reduce it to 85 cents so that messengers would continue in their jobs.

While many workers within the field of federal jurisdiction are members of labour unions, there are also many who are not covered by labour legislation or who do not