western Ontario which the hon. member for Port Arthur represents, the gap between the populated areas of eastern and western Canada. There is also the indirect subsidy, claimed as such, of the Crowsnest Pass rates which, in so far as this government is concerned, must not be changed, for the legislation of 1897 was a Magna Carta, as it were, for the western provinces before they became provinces.

The railway companies said: "We cannot pay this". We have no right to say to a railway company or to any other employer: "You have got to do this".

Mr. Martin (Essex East): Why not?

Mr. Diefenbaker: "Why not?" asks the hon. gentleman. In other words, it is the position of the opposition that there shall be compulsory arbitration against the employer, but they will not accept compulsory arbitration against the employee. That is the hypocritical position in which the opposition now finds itself placed as a result of the argument made today. They say you can force the companies to do this under the majority recommendation of a board of conciliation, but you cannot enforce majority recommendations upon the representatives of labour. You cannot have it both ways except when you are making an argument based on political expediency.

Mr. Pickersgill: Will the Prime Minister permit a question? Is not that precisely what the government did two years ago in British Columbia?

Mr. Diefenbaker: I see I must have got some results, because we are beginning to get interruptions and that is always the very best indication of the way things are going. The Leader of the Opposition said he did not want me to speak outside this house until I had spoken within the house. He knows I am speaking tonight on television—

Mr. Pearson: How should I know?

Mr. Diefenbaker: —in the regular course of events. As a result of these interventions many of the things I should like to say here may have to be said then.

Mr. Pearson: Wholly improper, if you do.

Mr. Argue: Closure by T.V.

Mr. Diefenbaker: However, I do not wish to be denied the opportunity of saying the same things in this house, and I intend to summarize them. First, we have said that there shall be no increase in freight rates until the report of the royal commission on transportation has been considered. Whatever the merits or demerits—and I am not entering into that—the railway companies say they cannot afford it. They say: You must either let us raise our freight rates or adopt some other course, and other suggestions have been that we should give a subsidy. We have taken the stand that we shall not subsidize in this connection because to do so would simply mean that any time there is a dispute across this country with a national company involved which affected the public interest so greatly that a stoppage would paralyse Canada it would be known in advance that we would give a subsidy in order to prevent the Canadian economy being paralysed. We do not intend to follow that course.

It was interesting to hear the Leader of the Opposition say that what we were doing amounted to compulsory arbitration, that is, postponing the date by which the final decision is made. The conciliation procedure can proceed until May 15. There is nothing to stop that at all. When I mentioned that there had been an end of the conciliation procedure I had reference to an end of conciliation procedure before the strike would commence. It was made perfectly clear to us that there was no possibility of any resiliency or give and take on the part of either the employees or the employers. Under the bill as it stands provision is made for a continuation and if at any time there is any agreement in this regard that agreement will immediately put an end to the legislation in effect provided parliament passes this bill.

Let me find a definition of compulsory arbitration. Speaking in this house on August 29, 1950, as reported at page 14 of *Hansard* of that date, the then prime minister, Mr. St. Laurent, said:

> It is directed by the legislation that the companies and the employees shall themselves attempt to iron out these difficulties and to bridge the gap between the demands and the offers. If they are not able to do so themselves within a period of fifteen days it is provided that they select an arbitrator to do it and that they agree to be bound by the decisions of that arbitrator. If they cannot agree on the arrangements affecting all other matters outstanding between them, if they cannot agree upon someone to be selected to decide between them, the governor in council will appoint an arbitrator and he will, with the greatest possible dispatch, examine, determine and decide these questions, and his decisions will constitute the basis upon which the services will continue for the period for which the decisions are made.

At that point the present Secretary of State for External Affairs (Mr. Green) interjected:

> Mr. Green: That means compulsory arbitration.

Mr. St. Laurent replied:

> That does not mean compulsory arbitration in the usual sense. It is not compulsory arbitration to prevent a strike.

That was the answer of the then prime minister of Canada. In other words the explanation he gave and the definition of compulsory arbitration in 1950 was that when