in council, may fix hours of work standards for the class of employees to whom it applies. It may require hours of work to be reduced by stages, prescribing different hours for different periods of time; or, where it has been shown by the inquiry that with respect to certain classes of employees, some provisions of part I are inappropriate because of employment customs peculiar to the industry, it may prescribe hours of work conditions suitable to the situation.

We have received a number of representations that industries should be exempted from the legislation. After a good deal of consideration, I do not believe this is a request to which we can accede. We have already reached agreement in principle that the working conditions of employees in employment which it is the responsibility of parliament to regulate shall be subject to prescribed minimum standards. But wherever industries have raised substantial problems, if they cannot be met by the provisions of part I, we propose to grant them deferment for an 18 month period so that there may be time for an inquiry and further consultation in order to work out acceptable standards. The implementation of the Canada labour code is an ambitious project for industries under federal jurisdiction because it is the first attempt to set general minimum standards in three of the areas covered by the bill, and it is apparent that time is necessary for investigation and further consultation to determine what are practical minimum standards with respect to hours of work for some classes of employees in some industries.

I am confident that the course I have outlined will meet with acceptance because it is based on a regard for the interests of employees who might have their earnings reduced for reduction of hours, and of employers who would find it very difficult to accommodate their operations to the requirements of the legislation. It was for these reasons the government inserted the transitional provisions authorizing postponement of part I in the bill as introduced, and it is apparent from the representations that have been made that continuing flexibility will be needed, and we think this is provided by the proposed amendment.

The amendment also provides for suspension of part I on the same terms as for deferment, where submission is made after part I is in effect. This provision has been considered necessary to avoid the rigidity which would result if no action could be taken under clause 51 after part I was once applicable, and there may be conditions unforeseen now, for example brought about by automation, where it might be desirable, upon application, to suspend the operation of part I after it has come into effect.

Some of the concern that has been expressed about the effects of the hours of work provisions has come about because the degree of flexibility already provided in the bill has not been fully appreciated. Apart from the transitional provisions contained in clause 51, there is considerable room for adaptation to different conditions in clauses 5 to 10 of part I.

Before we resume consideration of each clause it might be useful for me to review their substance. Briefly, hours of work at regular rates of pay are not to exceed eight in a day or 40 in a week. Eight additional hours may be worked in a week if one and one half times the regular rate is paid. In exceptional circumstances hours in excess of 48 in a week may be worked if a permit is obtained. Hours in excess of 48 may be worked without a permit in cases of emergencies.

There is also provision for calculating overtime and maximum hours over a period longer than a week. Where the nature of the work necessitates irregular distribution of an employee's hours of work the principle of averaging will be permitted. This is intended to cover situations where, because of an uneven flow of work, an employer is not able to schedule regular working hours in a day or in a week. The most obvious example is the transportation industry where the length of trips governs the employee's hours of work. Other examples would be situations where an employer provides employment over a year or other period and within that period, due to seasonal or other factors, the daily or weekly hours fluctuate. The regulations will be drafted either applying generally or to particular industries, setting out the circumstances under which hours may be averaged. The period over which hours may be averaged will obviously have to be determined for each situation and the period may be as long as one full year.

There will be an amendment to part I which I might mention now. It will permit an exception from the general rule of one day's rest in seven. As the bill now stands this rule is too rigid.

Several amendments will also be necessary when we come to part IV dealing with general holidays, but I think these can best be explained when we come to that part.