The second unusual feature of the public debate on industrial relations is that everyone has a simple solution. Again, not everybody's solution is the same. However, none of my correspondents seems to have much difficulty in delivering to me a clear prescription for solving the problem, and this is unusual when one notes the public reaction in other areas of Canadian life where all our energy seems to be used simply in trying to define problems in a clear way.

People write to me, Mr. Speaker, saying that the time has come to break the power of big unions; that they have outlived their usefulness; that we should consider making strikes illegal because they are a feudal throwback and out of place in today's society; that we should make all strikes by public servants illegal, because they are employed by the bottomless purse; that we should make strikes in essential services illegal, either in the public sector or across the board; that we should establish compulsory and binding arbitration as a substitute for the right to strike; that we should insert a government representative into all arbitrations so that we can avoid sweetheart deals and represent the consumer and public interest in settlements; that we should provide guidelines for fair increases across the board and permit no increases beyond the guidelines; that we should appeal to Canadian nationalism; that we should ask Canadians to tighten their belts, as they did willingly during World War II; that we should limit increases to productivity gains, either in particular industries or across the board; and that we should resort to sectoral bargaining. This last proposal has actually been implemented in Quebec and, partly, in Ontario. This has created problems which I hope to return to before I end my remarks.

Each of these solutions could be described as a proposal for structural change and each is quite different from the others. Each one has been subject to much public discussion. I do not want to repeat tired arguments tonight, but I should like to make a few points. Firstly, let me say a word about the power of big unions. It is currently believed both by the population and by many economists that the price-wage spiral is being stoked by increases demanded by big industrial unions which make outrageous demands in every contract renewal that is negotiated. This, for example, is the premise on which John Kenneth Galbraith works. He thinks that big union contracts should be price controlled. This is also the theory behind phase II of the "Nixonomics" presently in effect in the United States, under which controls apply only to the big or key sectors. However, I have investigated the figures and have concluded that the premise is false both in the United States and in Canada.

In the United States, between 1965 and 1971 unionized hourly wages in the manufacturing sector, the so-called "commanding heights" of capitalism and union strength, increased by 36 per cent. In the same period, the lowly and generally non-unionized service sector experienced wage gains of 43 per cent, and the gains of United States federal public servants in the same six-year period were 51 per cent.

On the Canadian scene, although I have had some difficulty with Statistics Canada's products and, hence, difficulty in getting similar information, it seems that a parallel exists. Between 1965 and 1971, the hourly wages of unionized employees of corporations employing over 500 people rose by 55.8 per cent, but over-all for all industries of all sizes the hourly wage increase was 63.9 per cent. Noting that unionized labour constitutes less than 25 per cent of the total, it would seem that in the Canadian situation the wages of unionized employees in big unions have gone up substantially less than the national average. So much for the so-called monopoly power of the unions.

• (2100)

Second, I would like to say a word about strikes. I used to believe that there was an element of immorality about a strike. Certainly a strike is a waste of time that could be used for production of wanted goods and services; but how immoral is it? In a legal strike a group of employees have fulfilled their contract, working at agreed wages until the contract expires. They then seek a satisfactory contract to continue their work. Often patiently, they may continue on the job at the old rates while negotiations go on. In this area, incidentally, no employees in Canada have been more patient than federal public servants. However, the time comes when they feel negotiation is futile and they stop coming to work. Remember, they never agreed to work at the salary they are being paid. In this situation, who can blame them? So much for the morality of it.

For his part, the employer is not without recourse. He does not have to shut down. He is perfectly free to find other workers who want the jobs at lower rates and are prepared to cross picket lines. In fact, the police will assist any new employees to come to work. However, it is a measure of the extent to which Canadians approve of strikes that the strikebreaker or scab is looked down on. I would, therefore, have difficulty accepting the general principle that strikes should be illegal.

I think that if the employees can agree not to strike as part of the collective agreement, that is fine. In this area no group is more progressive than federal public servants, where out of more than 200 collective agreements to which strikes might have applied all but a dozen contain agreement to arbitrate on the breakdown of negotiations. I cannot accept a general illegalization of strikes.

Let me add, as well, that making strikes illegal does not eliminate strikes. In the United States, where strikes are illegal in the public service, there have been, I believe, two postal strikes in the past three years. In Montreal, where police strikes are illegal, the police have been on virtual or actual strike several times in the past four years. So have the jailers in the province of Quebec. One could ask, what is the solution when laws like that are broken? It is surely not putting people in jail.

In Australia, where arbitration is compulsory, there have been five times as many illegal strikes as there have been legal strikes in Canada in similar periods over recent years. I conclude from this experience and these comparisons that making strikes illegal is no panacea, nor is banning other disruptive kinds of presently legal activities. This applies as well to strikes in so-called essential services. For the argument about essential services, a problem of definition arises. Some people's idea of essentiality is different from that of others. For example, the