

*Supply—Labour*

federal industrial relations field, I must say that this lull has proven most valuable both to me and to my department. It has provided us with a badly needed breathing spell, because the first major strike broke out within a matter of days of my taking office and that atmosphere continued right up until midnight December 31, 1966. However, I think we have been able to use this breathing spell to advantage and put it to good use in realigning our thinking and our program directions.

I believe that my department's ability to cope with problems has increased and that we are now in a position to make a much more positive contribution to improving the environment of the ever-changing Canadian work world than we were a year or so ago. I think it is quite safe to say that all, who are wise enough to learn, did learn a great deal from our industrial relations experiences of 1966, which the record will show was the most difficult year in the history of Canadian labour relations, starting off with 35 work stoppages on January 1, either strikes or lay-offs then in progress, and 594 additional stoppages occurring during the remainder of the year. The stoppages, I might say, which occurred in industries under federal jurisdiction drew most attention and, perhaps naturally, made a very wide impact on the country.

Even though these particular stoppages represented only 7 per cent of the total number, they accounted for 20 per cent of the time loss during the year. It is not my intention today to go into a detailed accounting of the myriad complex and interrelated factors which underlined the difficult year 1966. This I have done on several occasions both in and out of the house. But there are a few major aspects of the 1966 industrial climate that in my opinion bear restating.

When you have a period of great general industrial prosperity reaching its peak, coincident with a number of two and three year old major collective bargaining agreements coming up for re-negotiation, it should not be surprising to anyone to find vigorous industrial relations activity. When you add to this an almost non-existent unemployment situation, and that was the situation in 1966—indeed, we had a great shortage of skilled workers in many essential fields—the industrial barometer would certainly tend to rise even more rapidly.

Is it in any way peculiar, therefore, that with all these signs of continuing prosperity around them, the unions, who as they saw it had fallen two or three years behind during

their collective bargaining negotiations, demanded what they said was a more equitable share of this new prosperity? I might ask this question: Is there not more or less general agreement in Canada and in the democratic countries of the world today that the employee should benefit in relation to the economic success of the venture in which he has invested his skills, in the same way as other types of investors benefit, the owners and the managers? Certainly the managers benefit when they do a good job, and expect substantial increases for their efforts. I feel the same way about employees. It is a question of degree, I suggest, in each case. But rather than go further into the climate of 1966 I would like to deal briefly with some of the lessons that have been learned and some of the misconceptions that have become evident out of that period of severe testing.

After many immediate outcries—and for a period of several months last year we were getting them several times a week, sometimes several times a day—proposals and counter-proposals throughout the whole year, and after a calm re-examination in the interim, it is still evident that the basic concepts underlying free collective bargaining in Canada and other true democratic countries remain beyond serious challenge. Any system devised for the sharing of economic benefits between the employer and the employee must be compatible with the basic social and economic tenets of the society in which it is to work. Freedom to choose, freedom to accept or reject, indeed even freedom to be wrong, is a basic value in Canadian life. Thus any system for sharing the munificence of that life which does not contain those freedoms is both incompatible and unworkable.

Yet such group freedom can never be total within an active, organized society. Its scope must be limited, as we saw on one or two occasions in this house last year. This group freedom must be limited to an extent acceptable to society. In Canada this society is a self-disciplining one, a democratic one retaining the ultimate right, if necessary, to limit group freedoms by its judgment in applying a comprehensive and final totality of all factors. This in turn places the clear responsibility for self-discipline on the individual and on particular groups within the society.

• (12 noon)

From the experiences of 1966 it has become shatteringly clear that those in positions of influence, not only in labour and industry but