

*Industrial Relations*

• (5:40 p.m.)

This has been said many times before, Mr. Speaker, but I think it ought to be repeated because there are some people in this country who feel that technological change or automation is necessarily an evil thing. Although it has temporary evil side effects, I think we must all agree that in the long run it is extremely important and valuable. We should not do anything to retard its progress in any way.

This report on technological change by the Economic Council of Canada makes some very important recommendations to deal with technological change. First of all it points out the necessity for continual bargaining, especially in connection with matters concerning technological change. The report states that if we are to merely discuss technological changes at the end of contracts during the short period which is usually allowed for collective bargaining, we are then bargaining under pressure of meeting a deadline, and often the many draft contracts which are presented to companies by unions cannot be adequately dealt with. So, first of all, this report recommends some procedure for continuous bargaining from the date of arriving at a contract. Second, it recommends that employers try to introduce technological change during periods of full employment. The purpose of this of course is that if some employees have to be phased out of a particular company they will have opportunities to work for other companies.

If technological change is made in a period of unemployment, there will not be the same opportunity for these employees. I should like to refer to another study which was made by Mr. Everett M. Kassalow, who is research director for the C.I.O.-A.F.L. In discussing this problem, Mr. Kassalow states:

American union leaders and economists have repeatedly emphasized that the precondition for satisfactory adjustment to the spread and development of automation is a strong full employment economy. This necessity has been underscored by the experience of the past few years.

I believe, Mr. Speaker, this is something that employers will have to respect. They will have to try to introduce their technological changes during periods of full employment.

The third recommendation put forward by the Economic Council of Canada in their report concerns the matter of advance notice and time lag with respect to technological changes. It is obvious that most of these technological changes do not happen overnight.

Management starts to plan them long in advance of their introduction and knows many months, perhaps years, before they are actually put into effect. The Economic Council recommends that advance notice of at least three months be given. It is interesting to note that the collective agreement concluded between the railway companies and the railway employees provides for 90 days notice if re-location of employees is involved, and 60 days notice in other cases. I do not know if that provision is a consequence of that recommendation by the Economic Council.

The council in its report also suggests that when technological change is introduced and men have to be released, the companies should try to accomplish this purpose through natural attrition, that is through voluntary separation such as men going on pensions or men leaving the company. One hon. member suggests entering politics. In general, the companies should try to let these men go through the process of natural separation rather than through forced separation.

The council suggests, too, that if some men are near retirement age they could be granted early retirement on full pension in order to try to keep the men who are still able and willing to work. If this procedure were followed,—and it has been followed—when these men leave the company, you do not merely hire men to take their place, but you keep the group of men you have and re-train them in the new work that is required.

This leads to a further recommendation in the report concerning retraining programs. We have a national manpower policy under which there is a retraining program. However, the Economic Council suggests that the companies also should have retraining programs for men who are phased out of jobs as a result of technological changes. It is also suggested that they have relocation policies, especially if the company has more than one plant and jobs may be available at another plant.

Another recommendation in the Economic Council report refers to pension portability. It points out how many men who have worked for a company for a number of years and have built up certain pension rights often have a fear of moving to other companies or other places of employment. They fear they will lose all their pension benefits. The Economic Council report suggests that there be a