

conciliation procedures. But its main endeavour is to encourage the parties to reach their own agreement. Our legislation provides that, once an agreement is reached, the parties must refrain from a strike or lock-out during its term. Thus, we find that freely negotiated decisions, crucial to our economic welfare, are being made in thousands of separate agreements, each attuned to the needs of a particular project and community, and each contributing its part to a complex national economic pattern.

This system which has evolved in Canada obviously has an important bearing on the question of productivity. For, as the Director-General points out, higher productivity is likely to be the result of fair decisions on an enormous number of questions which affect both labour and management. When the worker, through joint consultation machinery, is able to invoke the grievance and other clauses in his contract to maintain his rights, he is in a more secure position, and this in itself is usually conducive to improved productivity.

I think, too, that many employers today realise that the collective agreement has rich potential value to management as well as to labour. Management is becoming more keenly interested in human relations and in factors that make for satisfaction on the job, and hence for good production.

On the other hand, more unions today are taking into consideration to a greater extent the problems of the economy as a whole, of their industry, of their community and of their enterprise as well as their own position. It is in this spirit that we may begin to feel confident that our human as well as our material resources are being more fully developed and utilised to the advantage of all.

There are clear indications of the success of this system in Canada during the post-war years. New resources are being opened up on our frontiers with the aid of our mid-twentieth-century "pioneers". These modern adventurers are moving in by aeroplane and bulldozer, instead of by canoe and covered wagon as in the days of our ancestors. At the same time, several of our older industries, particularly manufacturing, are experiencing a rapid growth.

In these new resources developments, as well as in the expansion of established economic undertakings, the relations between labour and management have been, on the whole, constructive and harmonious. Gains in productivity have occurred and have been distributed in higher business returns, in increased real earnings and in more leisure time. This is a tribute to both employers and unions.

The success of collective bargaining at the level of the plant and local union is a wholesome alternative to the doctrines of the early revolutionaries. Whereas they envisaged constant conflict, to be resolved through an overthrow of the economic system, we see this freedom for sections of our economic community to gather for constructive discussion, to put forward their views openly and fearlessly, and to reach mutually acceptable