

that sort of thing were produced I think the workers might look at this matter.

• (8:50 p.m.)

A great deal has been said in this debate, Mr. Speaker, and a great deal has been written in newspaper columns and other places about labour's part in producing inflation. Let me deal with a number of statistical facts with respect to this matter if I may. In the *Financial Times of Canada* in the issue of June 13, 1960, there is a column by Robert Stewart entitled: "Canadian Economy Stronger than Believed". In the column it is stated that a new method of calculating productivity in Canada has shown that unit labour costs—

—in direct contradiction to previous information—have not risen significantly for the better part of 10 years. Unit labour costs are vital to international competitiveness. This relieves fears expressed in the government's budget white paper this year that increases in these costs had endangered Canada's trading position.

The fact is, Mr. Speaker, that all the statisticians and all the studies made of labour costs in Canada by outside economists and by economists of the research branch of the Department of Labour have in recent years conclusively shown that actually the unit cost of labour, that is the labour cost per unit in production and manufacturing, has gone up very little, and in some cases has gone down, so that labour has certainly not been responsible for inflation.

What we are really suffering from in Canada, I suggest, is not fearful inflation in the economists' sense. What we are suffering from at this time is an increase in the cost of living for ordinary people, an increase in food prices, in rents, and in this kind of thing. These increases are due to the reasons that my leader, the hon. member for Burnaby-Coquitlam (Mr. Douglas) gave. They are due to administered prices; to increased mark-ups by the chain stores, and to profiteering of a kind which should not take place. This government and this parliament ought soon to do something about it.

I plead with the government, for the sake of this law, and for the sake of this country, to change this bill so that it carries with it some equity and justice. I plead with the government to propose a bill which will give a guarantee of some sort of adequate wage increase to the workers. I would prefer 25 per cent over two years, and something additional for the skilled crafts, who are entirely deserving of it. But at least the government ought to have, in this bill, 9 per cent for 1966

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and 9 per cent for 1967; or 8 per cent for 1966 and 10 per cent for 1967. I am not trying to bargain, but I think the 18 per cent that Mr. Justice Munroe proposed, divided almost equally over the two years, ought to be implemented in the legislation, with the difference between 18 per cent and 25 per cent to be later negotiated under an effective mediator.

I plead with the government, Mr. Speaker, to drop the compulsory arbitration clause, for the reasons given by the Minister of Citizenship and Immigration. I cannot call for my proposition a more learned, and a more influential witness. I plead with the government to drop it also for another reason, namely that the period for negotiation provided in the bill is meaningless unless compulsory arbitration is removed.

It would be extremely naïve for anyone to think that the railways would sit down to negotiate, knowing that on November 15 there is going to be an arbitrator in this matter. It would be naïve to think that the railways would move a single inch, because they will know that if they make a proposal higher than 18 per cent, then the unions will go to arbitration and take the higher proposal as the floor. The railways know that, and will not make any proposals unless the compulsory arbitration clause is removed and the government is active and effective in mediation. Then, of course, the railways will have to negotiate sensibly and responsibly, because there will not be the stick of compulsory arbitration at the end. For these reasons, as well as for the general reasons I gave earlier, I urge the government to remove the compulsory arbitration clause.

I think that it is still not too late. I believe this government can produce a bill along the lines of the positive suggestions which I have made which will meet with the support of the strikers—perhaps not entirely—but which will be sufficiently palatable for them to decide that they must obey the law. This is what I want them to do. This is what every member of this house wants them to do. I am not one of those who will hypocritically tell people to accept an unjust law, if I know that if I were in their place, I would not do so myself. I ask the Prime Minister and the government not to force an unjust law on the striking worker, not to put him in the position of having to defy the law because of the strength of his grievance.

There is no worker in Canada more responsible, more law abiding—