

The Budget—Mr. McIvor

There are two of them in Fort William. I continue:

In the United States, there are reported to be over 3,000 plans in operation.

Another group which had done considerable work in this field is the profit sharing foundation, Long Island city, New York. This group has carried out several studies lately to indicate the soundness of plans now in effect in the United States. It has studied plans which have been discontinued, as well as those which have been successful. In the former case, they have come up with the conclusion that in 40 per cent of the cases there were no profits to share and a further 30 per cent were the result of changes in company policy resulting from new ownership. In other words, the foundation's studies would seem to indicate that the numerous instances of discontinuance of plans do not reflect on the essential soundness of the profit-sharing principle.

Generally speaking, there is considerable difference of opinion as to the value of profit sharing. It has been stated that labour organizations have opposed such plans. However, many of the successful plans now in effect involve unions and probably reflect an improved confidence in management policy by the unions involved. It is perhaps true that profit sharing has succeeded most often where the over-all labour policy of the company has been reasonably good. Where good relations do not exist, profit sharing is fairly generally looked upon as a doubtful means of encouraging employee loyalty and higher productivity. For example, an international labour organization study has advocated that profit sharing plans should be the last rather than the first step in any program aimed at improving labour relations.

In recent years, the emphasis has probably changed a bit from strict profit sharing to the other area you have mentioned in your letter, of allowing workers to have a greater participation in management. This concept is that worker participation may bring profits to their greatest possible level with worker distribution either through a profit sharing plan or a fairly generous wage policy. For example, labour-management production committees are one means of encouraging discussion of problems in an effort to reach solutions which will be of mutual benefit. The Department of Labour has been active in encouraging the formation of these committees. Today there are over 975 such committees in Canada, of which the department has a record.

I appreciate the Minister of Labour's co-operation. I am convinced, Mr. Speaker, that this plan may work with single industries, but a case was brought to my notice where one industry took this plan up and it worked. Production increased. More money came in, but because they had to share with the other parts of the industry scattered all over the country there was no profit.

My third cure for strikes is Christian brotherhood. The churches throughout Canada in all their branches will back me up in this, that the cure for strikes is Christian brotherhood. Moral rearmament says absolute honesty, absolute unselfishness, absolute purity and absolute love will work. I do not mean partial Christianity; I mean the real, genuine practice of Christian brotherhood will be the cure for strikes, and until we get that I do not think any other plan will really

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work. We do find human beings are willing to co-operate in a lot of things. This last year a strike was under discussion that pretty nearly took place but did not. Some of the workers, young married men, were anxious. They did not want to strike. The strike did not take place and they were happy.

I know there are labour leaders who are not in favour of this plan at all, and some of them have so declared. Notwithstanding some of those labour leaders, a cure can be found. If hon. members take it to heart and think it through and through, we shall find a way.

I must say that I enjoyed the speech of the minister when he delivered his budget. I congratulate him on being honest and sincere, because the budget has in it just the thing that we need for Canada today. Thank you.

Mr. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I did not intend to make any reference at all to the constitutional problem that has been raised as a result of the discussion of dominion-provincial financial agreements, but the suggestion that has just been put forward by the genial hon. member for Fort William (Mr. McIvor) prompts me to make a brief observation as I commence my remarks.

The suggestion has been put forward that this is a problem existing only between one province and the federal government. I must admit that I am not an authority on constitutional matters, but so far as I can see, from the attention I have given to the subject, this difficulty relates itself not only to Quebec and the federal government but to all provincial governments and the dominion government.

I base that observation on the importance of the subject of dominion-provincial financial relations on conclusions from the book "The Government of Canada", by Dr. MacGregor Dawson. I would recommend the reading of chapter 6 of this book to any members interested in this subject. On page 135, Dr. Dawson has this to say in regard to the provincial agreements:

These agreements—even if it be assumed that Ontario and Quebec become parties to them—certainly do not settle the financial difficulties between the dominion and the provinces, although they may be adequate to bridge the next five years.

That was the first term of the agreements. He says further:

For it is impossible to perceive how any permanent solution can be found except by the acceptance of the following three fundamental propositions, all of which are implicit in the problem and are clearly indicated by past experience . . .