

I should like to refer to a specific case, based on a letter I received from a man who was employed in a plant in Edmonton, where they endeavoured to form a production committee. I am not going to read the letter, which is quite long, but the man who was most active and cooperative in the formation of that committee found himself out on the street a month or two later, all because he had endeavoured to carry out the instructions of the government, as laid down by order in council, in regard to the cooperation of management and employee. This employer definitely was opposed to any kind of cooperation, and that was the reward this man received for a great deal of work for the good of the country. To-day he is on the street. It is a very good illustration of the attitude taken by the employers in regard to any efforts to coordinate work in the plants. I do not think that can be done by plant councils or production committees. In my opinion the answer is the legitimate labour movement, responsible leadership, uniformity of wage rates across the country in the emergency we are facing—

Mr. MITCHELL: Was this man discharged for union activity?

Mr. GILLIS: No, there is no organization in the plant. He was working in connection with a plant committee on production.

Mr. MITCHELL: He was not a trade unionist?

Mr. GILLIS: No. As I was saying, the answer to the problem is in the recognition of the legitimate labour movement.

A few moments ago I said I did not think the freezing of wages was an answer to our problem. To-day right across the country you find a wave of absenteeism. According to several press dispatches I have recently seen, there is a serious shortage of coal in the west because of absenteeism in the mining industry of Alberta. I think that situation prevails in every other industry right across the country.

Mr. MARTIN: What do you mean by "absenteeism"?

Mr. GILLIS: Men absent from work, not working as steadily as they should. We must face facts, whether we like them or not, and I believe this situation exists largely because of the fact that the incentive to work has been taken away. I think we must recognize that. Taxation is high and wage rates have been frozen at a level which was never adequate to maintain a decent standard of living. All the workers hear is "more production", with very little in it for them, and

[Mr. Gillis.]

they are only human. If this freezing of wages were eliminated it would be a good thing, if you had a trade union movement functioning across the country, doing business with the employers on the basis of collective bargaining, with greater production in industry and larger earnings to labour. Then there would be a greater incentive to work, and the unions could bargain with the employers for a share in the profits of that increased production. Certainly labour is not getting it to-day; there is complete frustration in many sections I have visited. The working man is working much harder, but he is much worse off than he was before the outbreak of war. He does not understand the world problem as well as it is understood by many hon. members here, who have the benefit of listening day by day to men who really have a grasp of the situation. The working men only understand that they have no economic security. They have a job to-day; they may not have it to-morrow. If after working in industry for fifteen or twenty years a man is laid off, there is no pension for him; there is no security, and for that reason there is unrest. There is the same wage rate day after day, during this whole process of fighting the war, and there is no encouragement. There is a lack of morale there, which should be built up.

A short time ago I said that I was not a monetary and financial expert, but I have done some reading on this matter of freezing wages, and I do not believe that step is necessary in order to avoid inflation. I should like to leave a few thoughts with the minister. They are not my own; they are notes taken from the writings of various people, but I should like to place on record what I consider to be the problem and the solution in regard to the freezing of wages and its relation to inflation in connection with our present war economy. This has been written by very eminent labour people in Britain, over a period of time. The problem the minister must face in connection with the matter of freezing wages is that war-time economy demands the curtailment of the production of desirable consumer goods to a bare maximum. We all realize that, and understand its necessity. The general increase in nominal income creates more bidders for the diminished quantity of goods, tends to raise prices and increase living cost. That is true. The vicious spiral of inflation sets in, with wages always lagging. That is also true. The popular way of dealing with this situation is to freeze wages and attempt to peg prices. Though wages may be frozen, nowhere in the world has it been possible satisfactorily to peg prices. "Good