

are not free to compete for labour, the Government must be prepared by other methods to direct the available supply of labour to its most essential uses.

One other very troublesome implication of the proposed amendment to P. C. 7440 remains to be mentioned. The stabilization of wages cannot be made compulsory without also making cost of living bonuses compulsory. Many employers have not yet granted such bonuses. Some will find it impossible to do so, and thus increase their costs, unless they are permitted to increase the prices of their products or are granted a subsidy. While such employers could plead inability to pay and claim exemption from the payment of the bonus, pressure from their employees in many cases would lead to applications to the Price Board for either permission to increase prices or a subsidy. No information is available on the basis of which to estimate how far compulsory bonuses would thus interfere with or make more difficult the effective establishment of a ceiling on prices, but simultaneously to make P. C. 7440 and price stabilization compulsory will impose heavy administrative burdens and present difficult questions of policy both to the Labour Boards and the Price Boards. It is certain, however, that there can be no controlled or directed wartime labour and wages policy, unless P. C. 7440 is made compulsory in the near future, and there can be no effective control of prices without stabilization of wage rates.

3. National and Regional Labour Boards:

The machinery for the development and administration of wartime labour policy might be as follows:

a. Organization: There shall be appointed a National War Labour Board and Five Regional Labour Boards, one each in the Maritimes, Quebec, Ontario, the Prairies and British Columbia.

The National Board shall consist of an independent chairman and one representative each of the Canadian Manufacturers' Association, the Canadian Chamber of Commerce, the Railways, the Ontario Mining Association, the Trades and Labor Congress of Canada, the Canadian Congress of Labour, the Confederation of Catholic Workers of Canada, and the Railway Brotherhoods.

Each Regional Board shall consist of the Provincial Minister of Labour and one or more representatives of employers and employees. (The Ministers of Labour in the Maritimes and the Prairies to work out arrangements for service as Chairman of their respective boards in rotation).

The National Board shall have a full time executive committee, an executive officer, and in addition to assistance from the personnel of the Department of Labour, such additional research and secretarial staff as may be required.