

Mr. Justice Cameron had the advantage of seeing Mr. Justice Munroe's report and, I presume, the transcript of the evidence. In other words Mr. Justice Cameron's recommendation, following that of Mr. Justice Munroe, was 4-4-4-6 on the dates to which I have referred. The union representative sitting with Mr. Justice Cameron made these recommendations:

I recommend that the union be granted a wage increase of 40 cents an hour retroactive to January 1, 1966, and that a further increase of 12 per cent on the wages prevailing on December 31, 1966, go into effect on January 1, 1967.

The company representative sitting on that same board had this to say:

...the brotherhood has repudiated the durable goods standards...I have already recommended in my reports as a member of the boards...a wage increase of 12.5 per cent representing an average of 28 cents per hour for all non-operating railway employees. In the absence of any evidence before this board which would justify any departure from the percentage figure of 12.5 and having regard to the evidence contained in the railways' submission,...I recommend that the general wage increase for the employees represented before this board be an average of 12.5 per cent.

...the employees represented before this board are receiving remuneration much in excess of employees performing the same or very similar duties in outside industry. It would appear desirable that the wage scales of the employees represented before this board should be adjusted so as to reduce inequities that appear now to exist...

I recommend that such a study be now undertaken on this point, but always within the limits of an average increase of 12.5 per cent.

I think honourable senators that I should also refer to one of the reports made by Judge Little and choose his report on the C.N.R. group representing 8,500 operating trainmen. Judge Little was unable to make a firm recommendation but he had some comments to make on the implementation of the Freedman Report which I think the Senate should know about.

Hon. Mr. McCutcheon: Are we implementing that report tonight?

Hon. Mr. Connolly (Ottawa West): No, sir.

Hon. Mr. McCutcheon: Thank you.

Hon. Mr. Connolly (Ottawa West): I quote from pages 7 and 8:

The Implementation of the Freedman Report:

It was the unanimous view of the members of the board at the conclusion of the formal presentation that if mediation were to resolve the dispute it would be necessary to secure agreement on the manner in which the proposals of Mr. Justice Freedman were to be implemented. In its arguments the union had adopted the said report in its entirety, whereas the Company had accepted it in principle, but varied from it and the union in the manner in which finality should be achieved in its implementation.

Our discussions with the parties satisfied us that the three basic principles with which we had to deal were:

(1) The railway's right to determine and effect technological innovations, both major and minor, where the rights of employees might be adversely affected, on due notice to the union.

(2) The negotiation between the union and the railway of the protective conditions to apply to each and every employee affected in each case.

(3) The *modus operandi* of resolving such protective conditions in the absence of mutual agreement.

We are pleased to report that there was basic agreement between the parties on Item (1) and (2) above, but we were unable to reconcile their differences concerning Item (3).

Finally, the board was aware that the Freedman report was now under study by the Department of Labour. It was also apparent to us that the union does not expect this issue to be resolved by normal process of collective bargaining, including conciliations. The representatives made it quite clear that it is convinced that the only solution was by way of legislation. The railways expressed its readiness to give due notice to the union any technological innovations it has decided upon and to negotiate the protective conditions that apply to employees adversely affected thereby.

It was the railways' position that, if such negotiation failed, the said protective condi-