

*Government Orders*

members of Parliament in reaching a long-term solution to this problem. Disruptions in grain handling must not continue.

• (1605)

This legislation appears to provide for an adequate solution to this particular disruption. For example, the arbitration procedure proposed in this bill seems to be a fair one. I believe both sides will provide serious offers knowing that one offer will be fully accepted and the other fully rejected by the arbitrator. This bill should allow this House to legislate an immediate end to this particular problem.

There is however a more important consideration. That is a long-term solution to the problem of disruptions in grain transportation and handling. The following points illustrates this.

There have been nine disruptions which have ended in back to work legislation for longshoremen and management since 1956. They occurred in 1956, 1972, 1974, 1975, 1982, 1986, 1988, 1991 and again in 1994. There have been over a dozen other labour-management disputes involving grain handling and transportation which have ended in back to work legislation. Many other situations have been settled through normal labour-management negotiations but all have caused disruptions in grain transportation and grain movement.

Hundreds of millions of dollars in lost sales have been incurred through these disruptions, but it is very difficult to put an exact figure on the value of the loss of sales due to unreliable delivery to our customers. Let me demonstrate the damage that has been done to the Canadian economy, especially to grain farmers.

Agriculture Canada has estimated that this strike has cost between \$100 million and \$150 million. This figure however does not take into consideration the damage to Canada's reputation as a reliable supplier of grain.

The Canadian Wheat Board indicated that the Japanese food agency has cut its next order from 80,000 tonnes to 35,000 tonnes. This reduction amounts to a loss of \$6 million to Canadian grain farmers. Japanese buyers have indicated grave concern about depending on Canadian sources for future grain supplies. This is very serious.

The chief executive officer of a large grain company quoted a Japanese buyer as saying in these last couple of days that Canada should implement a strike month so we can get all of these strikes out of the way and have reliable grain deliveries for the other 11 months. It is a serious problem. The Japanese are complaining about these disruptions and we have to deal with them. It is truly an embarrassment that the Canadian government is allowing this to happen.

Lost shipment on the west coast amounts to 73,000 tonnes per day. However the losses go way beyond the two weeks of this strike. It will take several weeks for the system to operate at full capacity again. A catch up time is required. Demurrage costs alone will amount to \$6 million, again paid for out of the pockets of western Canadian grain farmers. No one else covers these costs.

Past strikes have cost tens of millions of dollars and the damage to long-term commitments has been severe. Direct losses, for example losses to grain companies, terminal operations and demurrage on ships waiting in port are losses that can be calculated. However, the losses are due to disruption in sales and therefore future lost markets cannot be easily calculated. All of these losses I emphasize again are to western Canadian grain farmers. I could continue with examples such as these but let us start talking about long-term solutions.

• (1610)

There are at least two options which should be examined as possible long-term solutions. The first one is to declare grain handling an essential service. The second is to put into place better labour-management negotiation processes. I will explain the second option just a little later.

In declaring all grain handling an essential service, Reform policy states that grain handling should be deemed an essential service if use of alternative shipping points should not prove sufficient in maintaining shipment levels and customer satisfaction. This option therefore is conditional on having available other cost effective options to ship our Canadian grain.

The second option is to put in place a better labour-management negotiation process. This could involve ensuring that a new agreement will be in place before the old one expires. There would be no strikes under this option either.

To accomplish that an arbitrator could be appointed approximately six months before a contract expires. If a settlement has not been reached within two weeks of the end of the contract, then an arbitrator would ask management and labour to come up with their best offer, their best position. The arbitrator would then pick one, either the labour position or the management position. One position would be completely accepted and the other position completely rejected. This is in line with what the Liberals have proposed to end this particular strike.

Under this process a strike would not be allowed to occur. This is good for labour. It is good for management. It is good for western Canadian grain farmers and others using the system. These options should be considered in developing a long-term solution to the recurring disruptions in the grain handling system.

In conclusion I once again congratulate this government for bringing forth this legislation. On behalf of western Canadian grain farmers and others hurt by these disruptions, I strongly