

tinuity to the employees and would at the same time leave management of the new company free to concentrate on organizing its corporate and operational activities. Such an amendment would in no way prevent the company from seeking any changes it might desire in future labour contracts.

Eight provinces now have legislation dealing with the continuation of obligations upon successor employers, and on the assumption that these provisions might be of interest to this Committee, we have attached extracts as Appendix B of our submission.

There remains one potential consequence of Bill S-3 that could adversely affect railway employees and which would not be eliminated by the inclusion of a successor clause. As a result of the amalgamation and consolidation of facilities under the Ottawa Terminal Railway Company a net reduction of positions for railway employees is conceivable. We presume that in such an event the provisions of the Canadian National-Canadian Pacific Act would normally apply, but inasmuch as that Act may by then be repealed by the now proposed new railway legislation, it would seem prudent to incorporate the relevant parts of that Act in Bill S-3, and we respectfully urge this course upon you.

Mr. Chairman, that is our brief. I do not know whether it is your pleasure to have us read the successor rights clauses in the eight provincial labour acts.

The CHAIRMAN: I do not think that will be necessary, Mr. McGregor. They will appear in the record of the committee's proceedings, and we can study them at our leisure.

*Hereafter follow the extracts referred to from the Federal and Provincial Statutes:*

Chapter 37: An Act to amend the Canadian National-Canadian Pacific Act, 1933.

4. The said Act is further amended by adding thereto the following Schedule:

"SCHEDULE.

The following provisions shall apply in respect of persons who are employees of National Railways or Pacific Railways and who shall not, prior to the effective date of any co-operative measure, plan or arrangement directly affecting such employees agreed to by the National Company and the Pacific Company pursuant to the provisions of Part II of this Act or settled upon or made in consequence of an order of a Tribunal under Part III of this Act, have become pensioners or annuitants in accordance with the rules of any railway pension or superannuation plan or fund of which they may be members, or have voluntarily retired or have been removed from their employment by reason of misconduct or incapacity,—

(1) in this Schedule, unless the context otherwise requires:—

"employee" means any person in the service of National Railways or Pacific Railways for compensation at or after the date of the coming into force of this Schedule, and shall include any person who shall have been in the service of National Railways or Pacific Railways for compensation at any time during the period of twelve months immediately preceding the date of the coming into force of this Schedule, seasonally or intermittently, excepting any person engaged in temporary work not being part of regular operation.

"representatives of interested employees" means the authorized representatives of employees' organizations holding working agreements