

Mr. GILLIS: Finish to-night while we are here.

Mr. WARREN: We will let you put it on the record.

Mr. KNOWLES: Those two paragraphs, being the first and last of Mr. Johnstone's report, indicate—and I want to get this clear, even at the risk of seeming to labour the point—that his job was to give complete information to the government and to give them his recommendation as to whether or not a royal commission should be established. He went into all phases of the question and made a specific recommendation that a royal commission should be established. In the course of his report he gave a summary of a number of the arguments and discussions which he had with those whom he interviewed. This is a typical paragraph which appears on page 15:

Another argument has to do with the employees' equity in pensions. The employee organizations assert that during wage negotiations the company always pointed to the pension plan as one of the benefits accruing by reason of their employment with this particular concern. The company officials interviewed stated that they had never heard pensions being discussed in this manner during wage negotiations. The unanimity of the employees on this point makes it difficult to accept the company's statement. It is hard to imagine wage discussions occurring wherein the pension plan was not mentioned in this way. Any established plan of this nature, whether wholly company contributory or not, when maintained for a time becomes one of the established working conditions, and together with the actual wage paid they form the remuneration earned by the employee. The employee argument therefore that by each year of service he is building up deferred earnings in a pension is one which has considerable weight. To be deprived of past earnings by reason of absence on strike, or absence during a strike, does not seem to be equitable treatment, and all the more so when the decision is made by the party which will thereby save large sums of money as a result of rigid adherence to this rule.

That paragraph is taken from the body of Mr. Johnstone's 17-page report made just shortly before he gave his definite recommendation. Appended to the 17-page report are to be found another forty-nine pages of appendices in which Mr. Johnstone gives summaries of his discussions with all the parties he interviewed, and the interesting thing to note is that Mr. Johnstone did not interview just those on one side of the issue. He interviewed some eight or ten trade union organizations representing the men. He interviewed, on the other hand, the Canadian Pacific Railway Company, the former Dominion Express Company, now the Canadian Pacific Express Company, and, in addition to these parties on both sides of the dispute, he also interviewed

[Mr. Mitchell.]

representatives of the Canadian National Railways, the Manitoba government, the Manitoba telephone system and the Winnipeg municipal employees, including policemen and firemen. The reason for his interviews with these latter people is that those of us who have been speaking on this matter have pointed out time and again that these were employers whose employees were on strike in Winnipeg at the same time and who have treated their employees more generously or, as some of us think, fairly in the matter of pension rights. So that his report represents, as the minister will have to admit—he says he has one of the best departments of government and therefore he will have to stand by this report—an exhaustive study of the whole matter. In my view we have reached quite a point in this whole dispute, although it dates back to 1919, to have secured the preparation and public release of this document, which covers it so well. In the meantime, between last December, when the report was made, and August 20, when it was tabled, a copy of the report had been sent to the Canadian Pacific Railway Company, and a reply was received by the minister from Mr. W. Manson, the vice-president of the Canadian Pacific Railway Company in charge of personnel. That reply was dated May 26, 1946, and a copy of it was laid on the table of the house, being sessional paper 238, on June 26 of this year. The significant paragraph in Mr. Manson's reply to Mr. Johnstone's report is this:

I note that Mr. Johnstone recommends the appointment of a royal commission to examine into the questions dealt with in the report. Such a recommendation in the circumstances involves such fundamental and far-reaching consequences that it ought to be rejected by the government.

Mr. Manson goes on in about three pages of his own letter to set out his objections to Mr. Johnstone's recommendations, and then adds a memorandum, which I believe was prepared by someone in the legal department of the Canadian Pacific Railway Company, which attempts to answer the points in Mr. Johnstone's report.

Now here is the situation. This is a dispute between the employees on the one hand and the Canadian Pacific Railway Company on the other. The employees have asked for a royal commission. The company objects. I suppose, one might say that is a natural position for the two sides to the dispute to take, and so the government has stepped in with its impartial investigator, Mr. Harris Johnstone, who has made this exhaustive study and has come out with the definite recommendation that a royal commission should