Honourable senators, I suggest that this is a retrograde step, that this legislation in these clauses is regressive inasmuch as it turns back the clock on a great, successful and mutually beneficial innovation in the field of management-labour relations. Let me say again that in taking this position I am not for one moment forgetting the importance of the human factor. If I believed for one moment that this legislation would improve by and large the job security, the human values, of workers in Canada and their families, I would support it. But, honourable senators, I oppose it because I believe that in its over-all effect it is going to do a lot more harm than good.

Some Hon. Senators: Hear, hear.

Hon. Mr. Macdonald: Honourable senators, it had been my intention to move the adjournment of this debate, but in view of the remarks made by the chairman of the committee to which it is proposed to send this bill as to the desirability of giving it second reading this evening, I shall defer my comments until third reading, although at this stage I may say that in general I support the bill.

Hon. H. Carl Goldenberg: Honourable senators—

The Hon. the Speaker: I must inform the Senate that if the honourable Senator Goldenberg speaks now his speech will have the effect of closing the debate on second reading.

Hon. Mr. Goldenberg: Honourable senators, I have no intention of delivering another long speech at this hour. However, I should like to make one or two comments on some of the points raised by my friend Senator Grosart. He began by suggesting that this bill provides an opportunity for one side to disturb industrial peace-and I think I am quoting him correctly—and he ended up by referring to "interference with the sanctity of the contract." But my question to Senator Grosart is this: Who is interfering with the sanctity of the contract? If the employer and the union have signed an agreement and, let us say, six months later the employer introduces a technological change which results in 50 per cent of the employees being displaced and having their classifications changed and so on, who is changing the agreement? Who is interfering with the sanctity of the agreement? It is the employer who is changing the underlying assumptions of the agreement when it was signed.

This is a point I tried to make and this is what I said is a part of the facts that have been disregarded. Let us look at it in its proper light.

Senator Grosart also said that this will just retard change and prevent change. I mentioned the railways and the agreement between the railways and their employees, not that I wanted credit for having negotiated that but because there you have the largest single employer under federal jurisdiction, and certainly the agreement which protects the employees against the effects of technological change has not retarded technological change on the railways, and you have but to see the large reduction in employment on the railways as proof of that.

I could cite other examples. I have been involved in recent years in quite a number of disputes where I traced the strike or the dispute to fear of displacement because of technological change. This bill does not propose bargaining over technological change. I think I made that quite clear. It is bargaining to allow the employees to adjust to the effects of technological change. They are entitled to something. When we expropriate property for public improvement we compensate the property owner, and if the worker has to be displaced in the interest of progress, then he is entitled to some form of protection and this is what this bill envisages.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

Hon. Mr. Goldenberg: I move that it be referred to the Standing Senate Committee on Health, Welfare and Science.

Hon. Mr. Lamontagne: Honourable senators, may I just add one word here. First of all I want to thank Senator Grosart for having agreed to speak tonight, and also Senator Macdonald for having agreed to postpone his speech. Furthermore, I should like to give notice to members of the Standing Senate Committee on Health, Welfare and Science that the committee will meet tomorrow morning at 10 o'clock.

Motion agreed to.

The Senate adjourned until tomorrow at 2 p.m.