

therefrom not only excise taxes but also certain so-called "luxury goods" not considered necessary for the maintenance of reasonable living standards.

5. The Minister of National Defence felt that any sort of agreement reached before the strike went into effect would be preferable, in the long run, to a post-strike settlement. In the circumstances, consideration should perhaps be given to the advisability of seeking an injunction restraining the unions from striking for a pre-determined period. It was fully appreciated that the legal grounds on which such an injunction might be sought were highly doubtful. It might nonetheless be possible to have such an injunction granted, and from a practical point of view it would permit a settlement being obtained either by the parties concerned in negotiation or, if negotiations failed, by Parliamentary action and without any strike taking place.

6. Mr. St-Laurent felt that it might be difficult, if not impossible, to obtain such an injunction, and that in any event the advantages to be gained would probably be outweighed by the disadvantages.

It was suggested that if the current negotiations failed, a statement should be issued immediately to the effect that Parliament would be called at once to take whatever steps were necessary to protect national interests. Power could be sought from Parliament to impose a settlement, as a transitional measure only, on employers and employees of the Crown railway alone or, alternatively, on all railways.

7. Mr. Abbott felt that inasmuch as a rail strike was a matter of national interest, any settlement by Parliament should be applicable to all railways.

8. The Cabinet, after considerable further discussion, agreed that if mediation in the railway dispute failed to achieve any results and the strike commenced the following day, the Prime Minister issue a statement to the effect that, since collective bargaining methods had failed and Government action was essential to the protection of the vital interests of the whole national community, Parliament would be summoned to meet at once in order to take whatever steps were required to meet the situation.

N.A. Robertson,
Secretary to the Cabinet.

000072

Privy Council Office
Bureau du Conseil privé

RG 2, A5a,
Vol. 2646

National Archives of Canada
Archives nationales du Canada