

*Grain Handlers' Strike*

and the companies did not. Attitudes hardened on both sides and the many strenuous efforts to get the parties back to the bargaining table met with no success.

The government has by no means "sided with the union", as has been claimed in some quarters. It has simply recognized that the eventual settlement, however reached, has to be based on the conciliation commissioner's recommendations. I believe it is obvious that the companies would know this.

As hon. members may be aware, the Perry report calls for a two-year total wage increase of \$1.52 an hour on a base hourly rate of \$4.96. This constitutes an over-all increase of slightly more than 30 per cent. The companies, by incorporating estimates of the additional cost of a proposed cost of living adjustment and a pension plan, have claimed that a package settlement based on the Perry report would raise their labour costs by a total of 61 per cent, a figure that I might indicate is not accurate. I hope more will be said about this figure during the course of this debate.

This figure is approximately 7 per cent higher than that reached by departmental experts. That is based on the lowest wage rate paid to a worker in a grain elevator. Be that as it may, we do know that the wage component of the Perry proposals averages fractionally above 15 per cent per year, exclusive of the cost of living adjustment. This comparative data is always used when comparing settlements one with another. In this case, it is slightly above 15 per cent per year. For purposes of comparison we can note the preliminary figure for the second quarter of this year that shows an annual average increase, in British Columbia, of 15.7 per cent on average rates; so the Perry proposals are certainly not out of line with prevailing levels on the west coast.

● (1520)

The introduction of a pension plan fills a long-standing gap in the grain handlers' employment benefits, and the protection of a cost of living allowance is by no means an unreasonable or unique objective among Canadian workers today. I do not argue that the total cost of a settlement based on the Perry report will be trivial. It will, indeed, be substantial. But much of it will represent catch-up on wages and pensions by comparison with longshoremen working beside them on the same waterfront.

The wage boost recommended by Dr. Perry for 1974 would raise the grain handlers' basic hourly rate to \$5.83, leaving them still 25 cents behind the \$6.08 an hour which the stevedores have been receiving for the past 18 months. And by the time the grain handlers receive their proposed 1975 increase of another 65 cents, the longshoremen will, presumably, have negotiated a new contract themselves. In any event, Mr. Speaker, I wonder how it is inflationary to bring 500 grain handlers to the level of remuneration that 3,600 longshoremen had been receiving previously.

The Perry findings may not be perfect; I do not know. Neither I nor any member of this House can know. We were not the independent third party injected into this dispute. We were not there to study the briefs which were submitted. We were not there to hear the rationale presented. Dr. Perry was. His is the expertise; his is the first-hand knowledge. Hence, his report must be viewed as

[Mr. Munro (Minister of Labour).]

the most reasoned and reasonable basis for a final settlement.

I would also reply to those who question the government's action in the dispute. I can state categorically that throughout the dispute my department and the government acted scrupulously within the framework and confines of the Canada Labour Code and of our concept of the public interest. We have exhausted every means of bringing about a peaceful settlement. If we had to do it all over again, I honestly do not see how we could take any different measures which would be more effective and more democratic.

To have recalled parliament for a special emergency session in order to deal with the dispute would simply have turned the House of Commons into a scapegoat; into something too closely resembling a labour court. Such action, in these particular circumstances, would have been irreconcilable with the government's stated position of supporting the free collective bargaining process by giving it every opportunity, every encouragement and assistance to the end of making it work. In this case, as we know, the process did not work, despite our most strenuous efforts.

To say this dispute is disturbing would be to understate the case. It marks yet another labour relations fiasco in an industry which for years has been characterized by confrontation and even hostility. It is a long and tedious history and includes frequent rejection by management of third party conciliation reports as a basis for settlement of disputes—although I do not intend to infer that the union has always been blameless. Perhaps just one illustration of how long governments have had to contend with crises inspired in this industry will be of interest to newer members of this House, and will refresh the memories of its distinguished veterans. In April of 1953, after a work stoppage had closed the elevators for two months, the prime minister of the day, the late Right Hon. Louis St. Laurent, hinted strongly in this House that the government would, if such action were deemed necessary, seize the elevators. He was, understandably, aroused by the refusal of the company presidents to come to Ottawa, sending instead their lawyers. Twenty-one years and six months later, the attitudes and the situation remain much the same.

Hon. members will agree, I know, that good will and reasonable attitudes cannot be legislated. At the same time, there has to be an improvement in this poisonous labour relations situation. The government and the country cannot, and must not, endure the continuing disruptive and damaging consequences. I strongly suspect that it is the whole concept, the whole structure which militates against any meaningful, straightforward negotiations taking place in this industry. Therefore, it is my intention to appoint an industrial inquiry commission. The commission will have broad terms of reference and will, among other things, conduct a thorough examination of the history of this industry's labour relations and their impact upon efficiency and productivity. Hopefully, this commission will bring forth recommendations which will lead to a reasonable, acceptable industrial relationship.

I turn, now, to the proposed legislation. First, all grain handling operations will be resumed; all employees will return to work. The return to work is not to be impeded or