

*Maintenance of Railway Operation Act*

as they once did. The result is that the railways no longer obtain the surplus from the high value traffic, because much of the high value traffic, in the short haul particularly, is now moved by trucks, and further efforts by the railways to increase these rates diverts more and more of this high value traffic to highway carriers.

This is a most complex matter involving several subjects which are now before the royal commission on transportation. If, perchance, this commission is able to bring in recommendations which will assure that the horizontal increase being made in freight rates will not increase the amount of the discrimination, then indeed we shall arrive at a point when the railway companies will be able to secure that revenue, and the only way they can get it is through the medium of freight rates in an equalized manner applicable to all parts of the country.

I do not in any circumstances wish to see the railway employees placed in a position of having to subsidize the railroads. I wish to see them treated with that degree of fairness which I outlined earlier when I referred to the report at page 5, that degree of fairness which will assure to employees wages which "should be adequate when tested by a reasonable standard of comparison".

By next May 15, without the sacrifice of anything except a postponement, every railway employee will be in a position through his bargaining agent to come to an agreement with the railway company. The railway company will be able to apply to the board of transport commissioners. The freeze will be lifted and the Canadian people, in the normal run of events, will then have to pay extra freight rates in order to meet the increased wage levels, just as they have to pay to meet all other types and varieties of expenditure.

We were most careful to assure a proper interpretation in this regard in the bill itself, and we found that the measure which we placed before the house was one which protects and preserves the economy today. Though it prevents disruption at this time, it does, at the same time, in every way preserve and maintain the rights of labour. We deny that the bringing into effect of this legislation means anything in the nature of compulsory bargaining.

The hon. member for Assiniboia interrupted me a while ago, and I have every feeling for the difficulty of his position because he is in the position of the man on the flying trapeze; he does not know exactly which side to take. He realizes what happened at the coast only two or three weeks ago. In that strike at the coast the unions refused to accept the majority report and

struck, and we had no authority there; we could not act. All we could do was offer our conciliation services, and the Minister of Labour provided a man in that connection to try to bring the parties together.

I did not hear the hon. gentleman rising in his place then and asking "Why do not the unions accept the majority report of the conciliation board out there?" No. He asked questions from time to time and pointed out the seriousness of the situation to western agriculture, and it was serious. But we had no power to act.

I ask the hon. gentleman simply this. Does he believe that majority reports of conciliation boards should be accepted? I point out this, too; that all over western Canada, as a result of that strike at the coast, the western farmer was paralysed. Wheat piled up. Markets were available, but there was no way in which this wheat could be loaded. I did not hear the hon. member say anything then along the lines indicated yesterday by the hon. member for Port Arthur. If I were to quote some of the statements made by farm people across the country, the house would see that they were strong and definite. They suggested a short cut, a final determination through the medium of the setting up of an institution with power to fix and determine finally and absolutely. The Minister of Labour made possible the bringing together of the parties. Without power to act, he achieved a measure of agreement and after 18 days, I think it was, the throttling of the western economy ended in so far as shipments to the coast were concerned.

No, it is not a simple matter. We have endeavoured in this legislation first of all to preserve the basic rights of labour, to maintain those principles which have been accepted through the years as necessary for the preservation of the rights of labour. At the same time, we did everything conceivable to bring the parties together. I have no doubt about the sincerity of both sides. I am not here to say otherwise, and I do not believe otherwise. But there they were; and while they stood firm, unwavering and unchanging, the clock ticked away to the beginning of a strike which would have brought about in this country a paralysis the luxury of which we cannot afford at this time. Next May 15 we shall be in a position to determine whatever is fair and reasonable, upon the basis I have already made clear, without prejudice in any way to the man who works, back-dating everything to January 1, 1960.

I commend this measure to the House of Commons. We have avoided those dangerous pitfalls of 1950. We will have been able to