Public Sector Compensation Restraint Act

of this chamber. They have been particularly valuable in formulating proposals for changes to the bill. I would particularly like to commend the members of the Standing Committee on Miscellaneous Estimates and its chairman, the hon. member for Ottawa-Vanier (Mr. Gauthier), for their diligent, thorough and expeditious examination of the bill.

Some hon. Members: Hear, hear!

Mr. Johnston: In the course of various exchanges, Mr. Speaker, much has been made of those provisions of Bill C-124 which restrain collective bargaining during the term of its application. In response to that we introduced at committee stage an amendment to Clause 7 which provides that the parties to a collective agreement may amend the non-monetary terms of that agreement by mutual consent. This will allow the parties to make changes to such important areas as safety and health, grievance procedures, and so on; any non-monetary items which may be desirable to change during the course of the program.

The bill does restrict collective bargaining during the course of its application, but even such an august body as the International Labour Organization has recognized the necessity to do so under certain circumstances. In ILO Principles, Standards and Procedures concerning Freedom of Association, (ILO Geneva-77), at page 15 the following statement is made:

—the (ILO) supervisory bodies have not ignored the serious problems that may arise in certain circumstances in the economic field, and they have accordingly stated that it would be difficult to lay down an absolute rule concerning voluntary collective bargaining because, under certain circumstances, governments might feel that the economic position of their countries called at certain times for stabilization measures during the application of which it would not be possible for wage rates to be fixed freely through the medium of collective bargaining. Nevertheless, any such restriction should be imposed as an exceptional measure and only to the extent that is necessary, without exceeding a reasonable period, and it should be accompanied by adequate safeguards to protect worker's living standards.

Bill C-124, Mr. Speaker, when tested against that statement of the ILO, meets all of those conditions. It is being imposed as an exceptional measure. The restrictions imposed are only to the extent necessitated by the economy. The program has a two-year definite term of application and contains safeguards to protect workers' living standards and to maintain other important terms and conditions. The bill is an extraordinary measure necessitated by the extraordinary times in which we find ourselves, but it ensures a return to normal practices.

Suspension of the right to strike has been strongly criticized. Such criticism comes at a time when Canada has had for many years a very high rate of days lost due to strikes. For each of the last four years, man-days lost due to strikes have exceeded 825 per 1,000 employees. This places us in the unenviable position of being among the world leaders in this regard. Canada's rate was more than twice that of the United States in the years 1979 and 1980. This is taking place at a time when productivity is seriously low. Curiously, even today we see strikes taking place in industries which can ill afford them; strikes taking place where work is available but the strike itself is restricting activity; strikes taking place where there is and can be little economic benefit to the employees engaged in the strike.

Both myself and all other members of this party and this government, Mr. Speaker, recognize the importance of the right of employees to withdraw their services in our labour relations system. However, in listening to the criticism levied against this aspect of Bill C-124, it is almost as if the right to strike has become the raison d'être of labour relations in this country. I suggest to this House, Mr. Speaker, that surely employer-employee relations have a higher purpose.

Bill C-124 already imposes strict restrictions on the process of collective bargaining, and some are promoting a form of compulsory arbitration in this bill. Those who promote that notion are in reality suggesting that in addition to those restrictions, with which they profess to agree in terms of restraint, we should further impose on the system a process of compulsory arbitration. Such an imposition would apply to corporations and unions where it does not now exist and where it is regarded with considerable disdain by both unions and management. Not only that, the proposals, such as one we will be looking at, would impose arbitration of items which are not even subject to arbitration under the relevant provisions of the Public Service Staff Relations Act.

It would be ideal, Mr. Speaker, if we Canadians as a people were prepared to restrict our demands for wage rate increases to levels compatible with increases in productivity in this country. That has not happened. We hear the NDP saying: "Let us continue collective bargaining. You, government, set the limits on wage rate increases if, in your judgment, they are needed". Labour says: "Don't ask us to agree to them." Some members of this House, including members opposite, have said: "Yes, we can agree with the need for restraint. We can even agree with the limitations proposed in Bill C-124. But at the same time we should allow free collective bargaining to take place within those limitations".

Mr. Speaker, we have determined the limits; Bill C-124 provides that. Already it is providing a positive example to other sector right across this country. By the amendment to Clause 7 introduced at committee stage we have provided that parties to collective agreements may amend non-monetary terms and conditions of their collective agreements. This obviously allows for collective bargaining in those areas. It is limited, to be sure, but some collective bargaining in these very important areas of health, safety and others can take place.

A further amendment which we will be looking at, Mr. Speaker, will introduce possibilities with respect to collective bargaining under this program, and I will deal with that amendment at some length when the time comes for debate on that particular clause. At least, I hope I will have that opportunity. I see the hon. member for Kingston and the Islands (Miss MacDonald), and I was heartened to see her comments to the effect that this is an amendment which should help workers at the lower end of the wage scale. She is also quoted as saying:

-I think it will give much more equity within the six-five limit.

It certainly gives the union the opportunity to bargain on behalf of their employees. It restores that aspect of collective bargaining and that's what we wanted.