

which favours the durable goods industry. It should have provided not a dribbling "four and four" but a 25 per cent increase in rates over a period of two years, which is clearly what the arithmetic of the standard properly applied requires.

• (8:40 p.m.)

Now, Mr. Speaker, somebody said that if we did that parliament would set the rates. I plead with members of this house, let us not fool ourselves; we are setting the rates, and in the long run the government will set the rates if parliament does not. There can be no settlement in a railway dispute about wages unless the government goes in and assists that settlement, and guarantees the railways a way to meet the settlement. So that whether the dispute is settled here or is settled later, it will be either this parliament or this government which will settle it.

I say that it would have been much more sensible, if we are to pass a law which tells people to go back to work, to have the courage to set the wage increase to which these people are clearly entitled by using a standard which has been established by a number of conciliation boards over a number of years.

There is another problem in connection with the railway force which I feel I must draw to the attention of members of this house. Because of the way in which the increases to the railwaymen have been applied in the past number of years, the gap between the unskilled and the skilled workers on the labour force has continually narrowed. For example, today, in 1966 an electrician, a sheet metal worker, a boilermaker or a carman, people who undertake a five year apprenticeship, have a wage rate per hour of \$2.49 and a fraction—less than \$2.50 an hour. And these are skilled craftsmen who have had five years apprenticeship. These people are concentrated in the large metropolitan areas of Montreal, Toronto, and now Calgary, to a larger and larger extent as mechanization on the railways has eliminated most of the roundhouses and replaced them with large modern shops. As I say, these men work in large metropolitan areas where their counterparts in industry—I am not talking about people in construction here, but manufacturing industry—receive between 75 cents and \$1 more per hour.

**An hon. Member:** But for how long do they work?

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**Mr. Lewis:** As long as anybody else in industry, the regular 40 hour week.

**An hon. Member:** In construction?

**Mr. Lewis:** If the hon. member had been listening to me—I thought I was speaking loudly enough—he would have heard me say I was not speaking of construction but of craftsmen in industry. I am saying that all of them are earning 75 cents to \$1 per hour more.

In this regard there must be some adjustment made. It is important for the welfare of the railways, let alone the men concerned, that these skilled craftsmen be paid the rate to which their skills entitle them, so that they have some pride in and some loyalty to their work, instead of going around embittered, as I know some hundreds and maybe thousands are doing across the country.

Let us not weep for the C.P.R., Mr. Speaker. The fact is that despite regulations and everything else the Canadian Pacific Railway Company made out of its total operations in the year 1964 some 61 per cent more by way of profits before taxes than it did in 1963, and 47½ per cent more in 1964 than in 1963 after taxes. In 1965 the company made slightly less than 61 per cent in profits before taxes, but a great deal more in profits after taxes, namely 55 per cent. Their earnings in the first seven months of this year have been phenomenal.

I say without fear of any valid contradiction that, even without any help from this government, if the C.P.R. were willing to apply the profits made from all its enterprises, which all stem originally from its railway operations, the company could shoulder a 25 per cent increase in the rates without batting a corporate eyelash.

**An hon. Member:** What about the C.N.R.?

**Mr. Lewis:** The C.N.R. is a public enterprise. The C.N.R., as the hon. gentleman who interrupted me knows, has been loaded with a debt structure which is antediluvian and completely unjustified. When this government or any government has sense enough to recapitalize the C.N.R., then the C.N.R. will also show a great deal more profit than it does now.

If anybody shouts "inflation" at me, let me inform this house that the difference between the 18 per cent over two years as proposed by Mr. Justice Munroe and hon. Mr. Cameron, and 25 per cent over two years, would amount in total for all railways involved to