

The Chairman: Honourable senators, before commencing with the minister's statement I would like to welcome all honourable senators back to this distinguished chamber. That welcome includes the minister and his associate. I also hope that everyone will enjoy a very good year.

Honourable senators, it is my intention to take the names of those senators who wish to speak and, in rotation, they will be given the chance to ask their questions.

[*Translation*]

Mr. Minister, it is your turn to speak.

[*English*]

Hon. Pierre H. Cadieux, Minister of Labour: Honourable senators, first of all, permit me to wish you a happy New Year. I did not think I would be here so soon in the new year dealing with such a matter once again. If there is anything that I agree with in Senator Argue's speech it is the fact that we do not like this type of legislation. I think that is the one point on which we all agree one hundred per cent.

Unfortunately, however, circumstances have given me no other option but to introduce this particular bill in the House of Commons. It was passed speedily yesterday with the cooperation of all three parties, and therefore I am here today at your disposal to answer any questions.

Senator Argue: Honourable senators, as I said earlier, we regret that the minister has felt it necessary to appear before us so frequently. Perhaps if we were picking a minister on the basis of cordiality and friendliness, we would probably pick you. However, we regret the basis on which you appear before us today.

You have with you your Associate Deputy Minister, Bill Kelly—another William Kelly. I can understand the mix-up, because my vision is not so good and the two Mr. Kellys look somewhat alike. I hope that Senator William Kelly will be very active in this chamber in the days and months ahead. Also, I hope that the distinguished Associate Deputy Minister of Labour, Bill Kelly, will not find it necessary to come back here again for a long, long time. Further, I hope that any projects he undertakes in the future to knock heads together and to bring management and union together in agreement will be successful.

In my long, rambling statement I made the point that there is a very fundamental principle involved here. Years ago Chief Justice Rand made a very important determination on union rights with regard to check-offs, and I am sure the minister is familiar with that fact. This matter is not before a court but it is before an arbitrator, and, as with everything else, it will create a precedent. I hope that in this matter the country will be fortunate enough to have an arbitrator of such a calibre that he will bring in an enlightened solution to this dispute which will set a precedent for the future so that the union's collective agreement will cover large areas within any industry, including support for the principle that trade unionists are quite capable of receiving training and of functioning as supervisors or computer operators.

Further, if it is the government's intention to go in the general direction that the country seems to be taking, and if the arbitrator—whoever he may be—also goes in that direction, the result will be that a substantial and growing percentage of employees will be outside the normal collective bargaining agreements as technology improves, and that will be bad for labour relations in the future. It will also be bad for industrial productivity and bad for Canada. That is my conviction, but as I say that I am wishing you well; I am not ill-wishing you. Let me just say that I hope you, Mr. Minister, will have the judgment of a Solomon in your efforts to appoint an arbitrator who will bring forward a solution that will make a contribution to industrial peace and increase productivity in this country. I think one of the greatest ways to increase productivity is to have a union membership that is happy and satisfied and has a high morale.

I would now like to ask the minister specifically, when you are attempting to arrive at the name of an arbitrator, will you be discussing that name with the two parties involved? Further, will you be asking those parties to attempt to reach an agreement by themselves? It may look impossible at this stage, but it might be a good thing if they gave it another chance.

I ask you further, will you be meeting with them and endeavouring to reach as much agreement as possible? Then perhaps you would explain to us how you see the problem and how you intend to deal with it.

Mr. Cadieux: Senator Argue, I would like to thank you for your kind remarks with regard to my cordiality. I suppose any means that results in that sort of reputation is good. However, I would have preferred another means for you to come to that conclusion. If my five or six appearances here have contributed to your conclusion, then that is the positive side.

I would like to comment very briefly on one of your comments with respect to good labour relations. You are absolutely right—as other senators have mentioned—that through legislation a means may be found to settle an issue. Unfortunately, by that means good working relations are not necessarily established between the parties.

In my opinion, in this particular dispute the parties were given all the opportunities that are afforded in our collective bargaining system under the Canada Labour Code. Unfortunately, the parties—and one party in particular, that being management—refused the concept of arbitration. Their reason for that refusal was that the issues are within the scope of management. I regret that management came to that conclusion, because I believe that if they had accepted the concept of arbitration, as the union did, presumably an arbitration could have been found who would have satisfied both parties. They could then have proceeded with voluntary arbitration.

Because of the firm positions taken I had no other choice but to move with this particular legislation, which imposes a solution that could have been voluntarily accepted.

With respect to the choice of arbitrator, that question was raised yesterday in the other place. At that time I made a