there must be another answer than compulsory arbitration in dealing with some of these very essential areas which are involved, without denying the right to strike. In other words, the right would be there but the motivation for its utilization, hopefully, in the future would not be there.

Some time earlier I suggested in respect of a question asked at the time we were talking about bringing back parliament that we ought to bring together a group, when this trying matter is over, in which labour would be adequately represented, in an effort to come up with a technical answer other than the standard ones we have been hearing today. I do not believe an essential public services disputes commission, or the method the Leader of the Opposition was talking about in respect of the Mills study, is the answer because it is clear that it may involve, when it is essential and necessary, compulsory arbitration. There is no sense hiding this fact. The Leader of the Opposition has reached no other conclusion, and neither did the Mills study, concerning how you can ensure services which are necessary, as the member has described, when such serious consequences result from their disruption.

• (2110)

No one has come up with any other solution as yet, to ensure that such a situation will never happen again, other than adopting compulsory arbitration as a last resort. I am suggesting that there must be some other solution. I think the government is aware of this. When the strike is over we are prepared to give some study to this whole matter. What I am saying to the hon. member is that I do not think at this stage the solution offered by the hon. member's party, or the one in the Mills study, is the type of answer that can give the hon. member an assurance for eternity that this will never happen again.

Mr. MacDonald (Egmont): Mr. Chairman, I think it would be wise to clarify a couple of points so that the minister firmly understands what I am talking about. I think the minister was trying to go from A to Z without stopping at a number of intermediate points. I asked him specifically whether he would see to it that the high level meeting arranged between himself and his colleague, the Minister of Transport, and responsible officials in the two provinces as well as union representatives of the railroads, takes place.

I think it is very clear, for instance, that in the situation of the last two strikes with which I had some contact, a very large part of the ingredients of the walk out in effect in Prince Edward Island was its being tied into the national strike situation which, in many ways, was not directly related to the situation as it applied to the ferry operation in PEI. We should look at that carefully to see whether another kind of arrangement could be made. This does not mean that we should be asking particular employees in this service to forego the right to strike.

Second, I think we have to consider these two provinces in a totally different category from that of the national railroads. We have already taken certain steps with respect to essential services, whether these be with regard to the armed forces or the RCMP. When we look at a service that affects the whole economy of a province, I do not think we should look at it in the same light as we

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would look at the railroad situation as it affects one of the other provinces where there is a variety of means of transport.

All I am saying to the Minister of Labour at this point is that now we have to realize, having gone through this situation three times since 1950, that we must not put these two provinces in the same jeopardy again. In order to achieve that purpose I think the minister must give an undertaking that in the course of the next few months we will work out a new structure which will prevent the same situation from occurring again, not in total terms because we know we cannot prevent it in total terms, but to go a good deal beyond the present situation which is merely a bandaid approach.

Mr. Munro (Hamilton East): I hope to achieve that.

Mr. McGrath: Mr. Chairman, I should like to support the remarks of the hon. member for Egmont and in so doing to ask the minister, or the Prime Minister, who is at present in the House, whether the government, consistent with the constitutional responsibility that it has to maintain ferry services between the mainland and these two island provinces, will directly take over the operation of these two essential services, in view of the fact that the ships which provide these services are owned by the Department of Transport?

Mr. Gleave: Mr. Chairman, I am concerned about subclause (3).

Mr. McGrath: Mr. Chairman, I directed my question to the Minister of Labour.

The Deputy Chairman: Order, please. The minister did not rise and the Chair recognized the hon. member for Saskatoon-Biggar. I think we could come back to the hon. member for St. John's East afterwards.

Mr. Gleave: Mr. Chairman, I should like to refer to paragraph (a) of subclause (3) of clause 4 which sets out the conditions that the railways must observe when employees go back to work, if and when they do, following any settlement that parliament may choose to impose on them. I am concerned that justice be carried out in any settlement that we achieve. I was a little shocked, and indeed surprised to hear the Minister of Transport say earlier today that what we should be concerned about was a settlement, and that equity or fairness was not a prime consideration in spite of the fact that ordinarily in contract negotiations between employee and employer the matter of the power that rests in the hands of either party is the prime consideration in the type of settlement to be achieved.

I say that since the matter has been put into the hands of this parliament we must be concerned with justice and equity. We are dealing with this matter because of the failure of management to bargain with its employees. Management has failed in its responsibility to its employees, and to the people of Canada by not providing them with the service that they need, because in each case the railroads have a virtual monopoly over the type of service which they are giving to Canadians.