

Grain Handlers' Strike

suggestion. But the minister has not said that. At no time since this affair began has the minister said that the Perry report was only a suggestion for action. Dr. Perry's covering note to the minister reads as follows:

● (1620)

As it has now become clear to me that the differences in expectations between the contracting parties—arising from a series of accumulated past issues as well as the special, inflationary circumstances of 1974—remain too wide to be resolved through further conciliatory efforts, I am, therefore, submitting for your consideration some suggestions—

That is the word the minister likes to hide because of the implications.

—which, hopefully, might form the basis upon which the two parties could ultimately enter into a two-year agreement.

Consequently, the report was not intended to be adopted verbatim as the settlement proposal, primarily because it recommended granting the union more benefits than the union had requested. I understand the union did not ask for COLA. The union did not seek parity with the longshoremens. For some strange reason, and I do not question this, Dr. Perry recommended it. If the government did not know it, it should have, yet holus-bolus, in an overreaction it said, "Okay; that's for us. Let's grab it."

The government's adoption of the Perry report as a basis for settlement prevented any further consultation between the contracting parties. My information reveals there could have been a settlement, yet the minister, who is always projecting the virtue of the collective bargaining process, cut it off. This was told in no uncertain terms to those who had an opportunity to go to Vancouver and Calgary. There was some hope that these parties could have reached a voluntary settlement—but no, the minister, the Minister of Justice and the Prime Minister could not keep their mouths shut.

The government could have used some discretion in this matter. If it really had had concern about what it was doing, it could have sent them back to work: a new referee, conciliator, or whatever you want to call him, could have been appointed. Perry could have been told to look at this matter again because there is a great deal of complexity and misunderstanding with regard to application of the COLA clause in the benefit structure. We could have been all right in that regard. I see the minister shakes his head. The government, instead, chose to arbitrarily employ the Perry recommendations as a settlement tool and to publicly criticize the grain elevator companies for their refusal to accept the report's recommendations, further alienating the western agricultural community by forcing that community to take such a demeaning position.

In the whole of Canada, in the second quarter of 1974, the average annual base rate contract agreement increase was 12.6 per cent, in compounded terms, compared with a first quarter, 1974, figure of 11.4 per cent. The average increase in one-year agreements was 14.3 per cent; in two-year agreements, 16.4 per cent for the first year and 10.2 per cent for the second; and in three-year agreements, 13.2 per cent, 7.5 per cent and 6.4 per cent for the first, second and third years respectively. Is the Minister of Labour not aware of these figures?

In British Columbia in particular, in the second quarter of 1974 the average annual base rate increase was 15.7 per

cent. Yet the Perry report recommends a settlement of 17 per cent in the base rate for the first year, plus additional increases for pension improvements and fringe benefits equalling 8 per cent and 4 per cent respectively, as well as cost of living adjustments. Yet the Minister of Labour claims that this settlement is not excessive in the labour context of British Columbia. Not only is it obvious that the minister is slightly out of touch with the intricacies of the labour situation on the west coast; but it is obvious that he is slightly out of touch with his own government's so-called anti-inflation policy as outlined only one week ago. The policy to which I refer is contained in the following excerpt from the throne speech:

For its part, the government will exercise restraint in its own expenditures . . . while controlling expansion of new activities which, although desirable, would contribute to inflationary pressures.

Restraint is the only policy the government has managed to come up with to fight inflation. But restraint begins at home. While the government asks business to practice voluntary restraint in an effort to combat spiralling inflation, it allows its own spending to increase by 21.9 per cent and gives its own employees arbitration awards which do little but feed inflation. Between 1966 and 1973 the cost of living rose 26 per cent. Federal wages increased 50 per cent. In 1974 the government is expected to pay \$4,010 million in wages to its employees, up from \$3,638 million in the previous fiscal year.

Paramount in illustrating federal government excessiveness in previous contract negotiations is the recent arbitration award granted to 673 federal information officers. This group signed a 27-month contract which grants a 15 per cent increase within 12 months and only three months later grants another increase equal to the rise in the cost of living over the previous full year. This adds up to an increase of 30 per cent over a full 15-month period. I do not know where we are going.

Public Service Alliance president Claude Edwards says that other groups will begin to demand the same comfortable settlement as that awarded to the information officers. In other words, this is now regarded as a precedent for other groups within the jurisdiction of the Public Service Alliance. This is restraint? When you relate this whole matter to the Perry report and the minister's blessings of the same, you can readily understand the kind of problems which confront the minister.

We are being asked to approve a piece of legislation which will obliterate the word "restraint" from the context of the Canadian economy. We must keep in mind that in December of this year approximately 90,000 railway workers, 33,000 postal employees, east and west coast and St. Lawrence longshoremens, and Lakehead grain handlers will all come to the bargaining table. What will prevent their insisting that the Perry report recommendations be extended to their contracts, and what justification will there be for refusing them if the measures now before us become law? This is the ramification: this is the matter about which we are concerned.

We do not have an anti-inflation policy in this country. In the absence of such policy, the only people who can protect themselves adequately are organized workers. They are the only workers able to exert any kind of pressure. In Canada at the present time there are 2,556,000