

*Unemployment*

which apply in particular sections of the country. They are not always uniform; they are not necessarily uniform even in a single province. With respect to government contracts the practice has been to require payment of the current or prevailing wage in the place where the contract is being performed. That is obviously a matter of observation by the fair wage officers of the Department of Labour and, as I said before, if any complaints are made, a fair wage officer is immediately sent to the place where the complaint has been made in order to conduct the necessary examination. The contract is subject to the fair wage clause and is revocable if that clause is not carried out.

Mr. MacINNIS: I think that is the crucial point of our discussion. Where the workers on any particular work are organized in unions they have set wage rates. If they are fairly well organized in the particular district in which the work is being carried on, and if they have more men working under that rate than are working under lower rates in non-union shops, then according to my experience this becomes the prevailing rate and consequently becomes the fair rate on that particular contract. But where there are no labour organizations; where, as in most parts of the Dominion of Canada, the workers are not allowed to organize—

Mr. DUPUIS: Where is that?

Mr. MacINNIS: In the city of Montreal, all over Quebec, and in every other province of Canada.

Mr. ROGERS: By saying that they are not allowed to organize my hon. friend does not mean that the courts do not recognize the right of association?

Mr. MacINNIS: No; in this country the employers do not have to refer the matter to the courts at all; they are sovereign in their particular industries. These people have no protection whatever and the prevailing rate does not mean anything, because as the minister has pointed out, the prevailing rate will be the rate at which the workers are employed in that particular district only. If the fair wage clauses in the contracts are to mean anything the dominion government must set minimum wages and working conditions that must be lived up to where decent rates of wages and working conditions do not prevail. Unless that is done the fair wage act will not mean anything in large sections of the country. I have been in almost continual correspondence with workers employed on government

[Mr. Rogers.]

contracts who do not believe that the fair wage law is observed. I would suggest to the government that in order to give the greatest possible amount of assistance to those who need it, that is to those engaged in industry, and to see that government expenditures go out in wages to the greatest extent possible, some means should be adopted to ensure that fair wages really are paid under these contracts.

Mr. STEWART: The minister was good enough to explain the practice of the Department of Labour with respect to the fixing of wages on government contracts. As I understand the matter, each year that department reviews the schedules of wages for different parts of Canada, and I know it was the practice of that department to send those schedules to the Department of Public Works. Then, in the contracts for that year those schedules were embodied, and the contracts contained a provision that the contractor must keep this scale of wages posted on the job so that every employee might have access to it in order to learn whether or not it was being observed in his own case. From time to time complaints were made to the department that contractors failed to live up to the provisions of their contracts. The procedure then followed was to have an investigation; payments to the contractor would be stopped until he could prove that he was carrying out his contract. In some cases after the work was completed and the contract terminated it was found that this provision had not been observed, and the money held back was retained. Thus the contractor was forced to make up any deficits to his employees before he received the final settlement. That is why May 1 was the date adopted in the act of last year, because the rates for the year had been set by the Department of Labour prior to that date, and had been embodied in some contracts. I should like the minister to tell me whether or not I am correct in my understanding of the operation of the act. If I am correct it seems to me that each labourer on the job has his remedy in his own hands, because the rate is posted there, and all he must do is make a complaint. In addition there is inspection from time to time by the Department of Labour on their own account, to see that the rates are lived up to.

Mr. BENNETT: In connection with the remarks of the hon. member for Vancouver East I direct attention to the fact that in the statute passed last year there is provision