

TO CANADIAN RAILROADERS AND THE CANADIAN PUBLIC

It is important that you understand clearly why the managements of Canada's railways believe a railway strike is *absolutely unnecessary*.

Our reason for this conviction is that we have made the employees involved in the present dispute a fair offer of wage increases and improvements in working conditions which, if applied to all employees, will cost us \$37,000,000 a year.

We have further acknowledged a moral obligation to implement the 40-hour week at the appropriate time, and we have explained why, in fairness to Canadian industry and all other employers of labour, we cannot put it into effect now.

To do otherwise would be to perform a disservice to industry in general and to all employers and employees alike.

The railways, after making two previous offers which the union leaders rejected, have now made a third and final offer which gives

the employees the choice of either:

an increase in wages averaging 8½ cents per hour, or

a reduction in the basic work week from 48 to 44 hours, with an increase in wage rates of 9.1% so as to maintain or in some cases improve present "take home" pay.

The labour leaders have made no concessions at all and have refused to budge from their original demands for a 5-day 40-hour week with maintenance of present "take home" pay, and in addition increases of 7 cents and 10 cents an hour.

The railways are thoroughly conscious of, and sympathetic to, the problems of their employees resulting from higher costs of living.

Drastic, unwarranted reductions in hours of work instead of decreasing these problems will inevitably increase them.

Not only is a railway strike unnecessary now, but furthermore, because of the tense international situation, it would endanger the entire Dominion. As the presidents of the Canadian National and Canadian Pacific Railways said in a joint statement to the representatives of the unions last Thursday:

"The present situation... imposes a nerve strain on all concerned at a time when we badly need to devote all our energies and thoughts to the grave threat of war and a national emergency... It leaves the railway employee in a most uncertain and unhappy frame of mind because we are morally certain he does not wish to walk out on his job at a time like this, no matter what issues are involved... this opinion seems diametrically opposed to the strike ballot

which has been reported by the unions, but railway management retains too high an opinion of the loyalty, steadfastness and sense of responsibility of their employees to believe a strike would not mean a heart-breaking situation for them. That is not to say they will not carry out their undertaking to strike if union leaders decide to call upon them to do so but as already stated, it will cause great unhappiness and self-reproach."

The importance of the railways in Canada's economy cannot be exaggerated. Never was that importance more apparent than in World War II. And without the loyalty and intense effort of all railway employees, Canada's magnificent war effort would have been impossible. The same holds true today. As the

presidents further stated:

"... the general public is inconvenienced and business arrangements are made uncertain so long as the likelihood of a strike persists. Moreover, a railway strike would so cripple our economy that it would weaken for a long time our ability to take a strong line in international affairs and thus give great comfort to the enemy. Therefore, railway management feels strongly that the issues must be faced resolutely so that all interests, the worker, the public, and the Government, as well as the unions and railway management, will know precisely what is facing them. The time has come to remove this uncertainty which hangs as a blight over our day-to-day life."

WITH THESE CONSIDERATIONS IN MIND, THE RAILWAYS HAVE MADE THIS OFFER AS THE ULTIMATE THAT COULD POSSIBLY BE EXPECTED OF THEM, AND IT GIVES A SETTLEMENT WHICH WILL LEAVE RAILWAY WORKERS IN AN EXTREMELY FAVOURABLE POSITION COMPARED TO OTHER INDUSTRIAL WORKERS.

HERE IS OUR OFFER

The final offer which excludes hotel and water transport employees is as follows:

- (1) Recognition by railway management of a moral obligation to implement the 40-hour week at the appropriate time.
- (2) Recognition by the unions in principle, subject to negotiation in detail, of minor amendments to existing contracts covering working rules to bring about more efficient operation.
- (3) EITHER
 - (A) A 44-hour basic work week with a 9.1% increase in hourly rates so as to maintain

"take home" pay. In regard to monthly rated clerical employees there will be an understanding that a 5-day actual work week may be granted by local arrangement in selected cases where the hours now actually worked are less than 44, on condition that the requirements of the service are protected up to 44 hours per week.

OR (B) A graduated increase in basic wage rates approximately equivalent in expense to that involved under Plan A. When applied to all employees, this would cost the railways \$37,000,000 per year, and would average 8½ cents per hour.

**CANADIAN NATIONAL RAILWAYS
TORONTO, HAMILTON & BUFFALO RAILWAY**

**CANADIAN PACIFIC RAILWAY
ONTARIO NORTHLAND RAILWAY**