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OFFICIAL REPORT
(HANSARD)

Tuesday, December 2, 1997

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Tuesday, December 2, 1997

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to two petitions.

* * *

[*Translation*]

INFORMATION COMMISSIONER

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion, to be passed without debate. I move:

That, in accordance with subsection 54(3) of the Act to extend the present laws of Canada that provide access to information under the control of the Government of Canada, Chapter A-1 of the Revised Statutes of Canada, 1985, this House approve the reappointment of John Grace as Information Commissioner, to hold office until April 30, 1998.

(Motion agreed to)

* * *

[*English*]

POSTAL SERVICES CONTINUATION ACT, 1997

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I move:

That, with respect to Bill C-24, an act to provide for the resumption and continuation of postal services:

(1) No later than 4 p.m. this day any proceedings before the House shall be interrupted and all questions necessary for the completion of the second reading stage shall be put without further debate;

(2) At the beginning of the committee of the whole stage any member wishing to propose an amendment or amendments shall table the same and the said amendment or amendments, if found to be in order, shall be deemed to have been duly proposed at the appropriate point in the proceedings of the committee provided that no later than 6.30 p.m. this day proceedings before the committee shall be interrupted and all questions necessary for the completion of the committee of the whole stage shall be put without further debate;

(3) No later than 10 p.m. this day any proceedings before the House shall be interrupted and all questions necessary for the completion of the third reading stage shall be put without further debate.

(Motion agreed to)

* * *

• (1010)

PETITIONS

CANADIAN FLAG

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I am pleased to present a petition today from the constituents of my riding of Pictou—Antigonish—Guysborough, pursuant to Standing Order 36.

These petitioners call upon Parliament to adopt an official pledge of allegiance to the Canadian flag, the wording of which would be determined through consultation with Canadians.

NUCLEAR WEAPONS

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, pursuant to Standing Order 36, it is my pleasure to present a petition from the people of Victoria—Haliburton calling on the government and the Parliament of Canada to support the immediate initiation and conclusion by the year 2000 of the international convention which will set out a binding timetable for the abolition of all nuclear weapons.

THE FAMILY

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition to the House today from a number of Canadians, including those from my riding of Mississauga South.

Government Orders

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

The petitioners would also like to agree with the report of the National Forum on Health which suggests that the Income Tax Act does not take into account the cost of raising children for those who choose to provide care in the home to their preschool children.

The petitioners, therefore, pray and call upon Parliament to pursue initiatives to assist families who choose to provide care in the home for preschool children.

RETIREMENT INCOME

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, pursuant to Standing Order 36, I am pleased and honoured to present a petition on behalf of the constituents of Winnipeg North Centre and from other Manitobans, reflecting their concerns with respect to proposed and current changes to Canada's retirement system.

The petitioners call upon this government to rescind Bill C-2 and to put in place a national review of the retirement income system in Canada in order to ensure adequacy of Canada's retirement system today and tomorrow.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Adams (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I move that all questions be allowed to stand.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

POSTAL SERVICES CONTINUATION ACT, 1997

Hon. Lawrence MacAulay (Minister of Labour, Lib.) moved that Bill C-24, an act to provide for the resumption and continuation of postal service, be read the second time and referred to a committee of the whole.

He said: Mr. Speaker, I rise today to speak to Bill C-24, the Postal Services Continuation Act, 1997, legislation directed at bringing about the resumption of postal service in Canada.

Hon. members will be aware that the work stoppage which began at Canada Post Corporation on November 19 followed a lengthy

period of negotiations. Despite the efforts of the parties, the two sides were unable to reach a resolution to their differences.

As hon. members will recall, I had stated on several occasions in the House that the collective bargaining process as part I of the Canada Labour Code had to be allowed to work.

• (1015)

I am a firm believer in the democratic concept of free collective bargaining. Naturally I am disappointed that in this case the parties failed to accept their responsibilities under the process and achieve a settlement. I am also mindful of the resulting economic harm which the work stoppage has had on Canadian businesses and charities. However, I have no regrets in having provided the parties with every possibility to resolve the dispute themselves.

Fortunately the Canadian experience has been that these occasions are relatively few and far between. The vast majority of labour negotiations, in excess of 90%, are settled without resort to work stoppage action by either of the parties. That underscores the faith which governments at various levels have expressed in the collective bargaining system.

The dispute which has led to the proposed legislation involves negotiations for the renewal of the collective agreement between the corporation and the Canadian Union of Postal Workers which covers some 45,000 employees. The previous collective agreement which was reached in direct negotiations expired on July 31 of this year.

Following six weeks of direct negotiations between the two sides, the union filed a notice of dispute pursuant to section 71 of the Canada Labour Code. While the union expressed a preference for no further assistance from my department, I felt the interest of all parties would be well served by the appointment of a conciliation officer to assist the parties in their deliberations. This was done on June 20, 1997.

The parties decided to continue with direct negotiations prior to the conciliation officer joining in the discussions on August 19. Following a series of conciliation sessions, the union asked the officer to report to me, ending their involvement. On September 18 CUPW rejected a global offer made by the employer three days earlier.

After careful consideration of the situation, I decided to provide the parties with a second stage of conciliation assistance and appointed Mr. Marc Gravel, a well-respected third party neutral, as conciliation commissioner on October 7. Mr. Gravel held meetings on October 14 and continued to explore avenues of settlement with the parties until the end of the month.

In his report to me, the conciliation commissioner indicated he was unable to help the parties resolve their differences. He suggested the parties needed the pressure of a strike or lockout deadline to conclude a settlement. He also recommended that they urge the parties to negotiate their dispute promptly, diligently and in good faith and that they make the services of the Federal Mediation and Conciliation Service available to them. I released

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the commissioner's report to the parties on November 10 and they acquired the legal right to strike or lockout at 12.01 a.m. on November 18.

During the week that followed the release of the commissioner's report the parties met on several occasions in direct negotiations. These meetings continued following a nationwide strike action by CUPW on November 19.

After speaking with both parties and being given their assurances that they still desired a negotiated settlement of the dispute, I appointed the director general of the Federal Mediation and Conciliation Service, Mr. Warren Edmondson, as mediator in the dispute. As I indicated, this action had also been endorsed by the conciliation commissioner in his report.

Mr. Edmondson's reputation as a professional in the dispute resolution field is well known. His presence in the proceedings provided the parties with an opportunity to demonstrate their resolve to arrive at a new collective agreement.

• (1020)

Unfortunately, neither of the two parties displayed the flexibility necessary to move toward a resolution of the dispute. The mediator after some four days of intense meetings determined that there was very little chance of a settlement.

After speaking with Mr. Edmondson on Friday, I decided that the time had come to bring the work stoppage to an end and restore postal services to Canadians. It is for that reason I stand before the House today to introduce this bill which provides for the resumption of postal operations and a dispute resolution mechanism to settle the outstanding issues.

Bill C-24 contains two main features: a resumption of regular postal operations and the appointment of a mediator-arbitrator to resolve the issues remaining in the dispute between the employer and the union with minor exceptions.

The bill will implement a new collective agreement of three years duration expiring on July 31, 2000. It will provide for a wage increase of 1.5% effective February 1, 1998, a further 1.75% effective February 1, 1999 and an additional 1.9% effective February 1, 2000. The three year term is in line with most collective bargaining agreements being signed these days. The wage increases are not unreasonable given the current level of settlements in the public sector.

The remaining issues will be referred to the mediator-arbitrator who will be guided by the need for economic and service related goals for the corporation as set out by the government, while taking

into account the need for good labour-management relations between the employer and the union.

The guiding principles contained in the legislation are designed to ensure that the mediator-arbitrator recognizes the directions which have been provided to the employer by the Government of Canada in terms of financial performance and service standards, while at the same time balancing these issues with the importance of good labour relations within the workplace. Most experienced arbitrators take such factors into account and this clause is included in the legislation for greater certainty.

There may be questions as to why the legislation provides for a mediator-arbitrator given the fact that mediation was already provided to the parties in an attempt to resolve the dispute. There are basically two reasons for this. The first is that there are still a large number of complex issues outstanding between the two sides. Second, the process contained in the legislation offers the parties one last opportunity to resolve these issues themselves at the bargaining table.

As I indicated, both the union and the employer maintain their position that they would prefer to reach a settlement by themselves. Both sides are aware that failure to reach an agreement at this stage will result in the issue being determined by arbitration. Anyone with a knowledge of labour relations understands that the best collective agreement is one which the parties are able to arrive at through the bargaining process rather than one imposed by a third party.

I regret having to take this action particularly after providing the parties with the full range of assistance available to me as Minister of Labour. I personally remain convinced that the collective bargaining system can and does work for the majority of Canadian employers and unions. However, these parties have been unable to demonstrate the required flexibility to make the process work for themselves.

When I appointed the mediator I indicated that we would carefully monitor the mediation process and assess the situation as it progressed. We have done that and have determined that the time is appropriate to act to end this work stoppage which is beginning to harm Canadian businesses, charities and Canadians at large.

• (1025)

No doubt we will face criticism from various corners for this action, by the labour movement for our legislative intervention in the bargaining process, and from the business community and various segments of the public for not having acted sooner in the dispute. But I believe strongly that our actions in this dispute reflect the will of the majority of Canadians.

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We have given the free collective bargaining process, a key element of our democratic society, an opportunity to work free of interference. The Canada Labour Code gives the parties the right to strike or lockout. Early intervention to take away the right would be contrary to the spirit of the law and would discourage the parties from any serious attempts at settling their own differences.

However when it became evident that the parties were unable to effectively work within that process, we acted to protect the interest of Canadians. I would urge hon. members to support this action and restore postal service to this nation.

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Speaker, right at the start I will open by making it abundantly clear that the Reform Party supports having back to work legislation in order to get the postal service operating again for the 30 million Canadians who depend on it. In essence what we are doing in this particular bill is making the best of a bad situation with a flawed piece of legislation.

Before I get into the main content of my speech, I would like to address a couple of comments to the speech made by the Minister of Labour. One of the things he said is that he has no regret in allowing this process to take place and he said that while acknowledging the incredible economic and personal harm that this has done to Canadians. I find that shameful. I find it very shameful that he said that he has no regret at the harm this strike and this process has brought to Canadians.

He also talked quite eloquently, as he has throughout the time leading up to this particular debate, about how you have to let the collective bargaining process work—he is down to just over 90% today, before he was saying figures of 94%—without work stoppage. The reality is that this is the fourth strike by Canada Post in 10 years.

There were two strikes in 1987 and in fairness that would have been one if the unions were combined as they are now into a single union. Presumably there was a settlement in 1989 and there was another strike in 1991. Then a little bit of labour peace and here we are in 1997.

Whether the minister uses the figure of 90% or 94% without a strike, that is not the case with Canada Post and he knew that going into this. What we have called on the government time after time is to provide some mechanism for the union and for Canada Post that does not involve a strike or lockout. Reform's position on Canada Post has always been that there should be a no strike, no lockout solution for all postal contract disputes. Our first concern is and always has been the Canadian public's right to have an uninterrupted mail service.

In the Liberal Party's rhetoric during question period, the Minister of Finance keeps bragging about this great 10% reduction

to employment insurance premiums and how much it is going to cost the government. He keeps talking about what a great thing this is, what a tremendous sacrifice by the government because there is going to be a \$1.4 billion reduction in government revenues.

Since this strike has started, it has cost Canadian business over \$3 billion and that is still going up by over \$200 million a day. By the time this legislation can get passed and the whole process can get started with some lag time, it will be at least another \$1 billion. That is a \$4 billion cost to the Canadian economy. And the government has the nerve to say, "Look at the tremendous sacrifice we are making with a \$1.4 billion reduction in our revenues because of our very, very generous change in the employment insurance deductions".

• (1030)

Prior to the strike actually starting 1,000 people were laid off from mail dependent businesses just from the threat alone. That is the time the government should have opened its eyes and said we have a real problem and we have a responsibility to do something about it. Unfortunately the government completely ignored its responsibility to the Canadian people.

Since the strike got under way it is estimated that in excess of 10,000 people have been laid off. I hope the minister dealing with employment in this government takes those figures into mind when he starts talking about the wonderful job creation record of the Liberal government when in fact its inaction has cost so many people their jobs as Christmas approaches.

This is starting to have an impact on non-mail dependent businesses as we go into the highest retail sales period with all the business cutbacks and the layoffs that have ensued. For many charities this is prime fund-raising time, a time when they raise as much as 80% of their annual funds. A large chunk of that time has been lost and it will not be recovered. The impact for charities alone on this labour disruption is going to be felt next year, all through the year when various people in need come to these charities for the services which they offer. They are going to find that those charities do not have the money. The reason they do not have the money, again, is the failure of the government to act swiftly in the interests of Canadians.

None of these figures take into account the human hardship and suffering by many people who are looking to the mail for things like employment insurance cheques, welfare cheques, support payments and a variety of other income cheques normally delivered through the mail. Although arrangements were made for some people, many fell through the cracks and many were left in dire straits. We have had calls from all parts of this country with people absolutely heart broken, in total despair. They have no cheque from wherever that source was supposed to be. We had one that I mentioned in this House, a woman from Vancouver Island, a

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young mother with two young children who is on employment insurance. The cheque is already a week late.

With this great government program which said it would take care of everyone and deliver cheques, well, the cheque was lost somewhere in post office limbo. That woman had no food in the house to feed those children. Maybe the government does not care about that. I guarantee we do.

We owe it to all these people and to the rest of the citizens of Canada to ensure that this situation does not continue to occur every few years. We need an alternative to strikes and lockouts that is fair to all the parties involved and fair to Canadians who count on the postal service. The government's legislation does not provide that.

The current back to work legislation is nothing more than a band-aid applied to a festering wound without any real repairs that are necessary for a long term solution. The government must accept a large portion of the responsibility for this current dispute. It provided no reasonable alternative to a strike. It has intentionally provoked CUPW throughout the negotiations. Unfortunately CUPW has played into the government's hands with talk of targeting postal businesses and promoting civil disobedience. I am pleased to see it has backed off in that somewhat, at least for the time being. It is to be congratulated for seeing through this ploy of the government.

On that, there is quite a bit of action from the union leadership chastising organizations like to the Canadian Direct Marketing Association, the Canadian Federation of Independent Business. Those organizations are acting on behalf of their membership in a proper manner. Is the CUPW leadership suggesting that these people should not be allowed to speak out about the harm that this is doing to their members?

I would hope that the post office union leadership would keep in mind that when you target a business because you do not like the activity it has had during this dispute, the business is not a stand alone entity. That business has employees, quite possibly union employees. When you target that business you also target those employees because of the impact, if you are successful, you will have.

In the interest of the Canadian public, Reform will support back to work legislation. However, we will be offering amendments to the legislation in an attempt to make it fair for all parties. The principle reason for our actions is to ensure some measure of labour peace in the postal service. Our motivating factor is to provide an effective and reliable postal service for all Canadians.

• (1035)

If the process is not fair and balanced, and what the Liberals are proposing certainly is not, then the tension that exists between

Canada Post management and its employees will only get worse if indeed that is even possible.

We need to have a process that can be held as a model of fairness and replace the current and past disruptions to postal services. Invariably these strikes end with legislation but not before causing great public harm.

There is a growing resentment of the union for going on strike in the first place. Before we proceed immediately to place all the blame on the union we have to consider one point. It had no other alternative mechanism to use and the blame for that falls on the government both present and past.

If the government can see the need to end strikes for the public good, then why can it not see the need for a no strike, no lockout alternative to this action? It would appear, many claim, and I would not dispute them, that the government has been proceeding on a predetermined agenda since this dispute began; between statements made by the Minister of Public Works and Government Services regarding the legislation and the actions he would take and in stating that he would ensure that CUPW takes the blame for any strike, through government controlled delays in the negotiations which caused the seemingly inevitable strike being delayed until the Christmas mailing season was upon us, to the latest item of an intentionally meanspirited piece of legislation. I am going to deal with why I call this meanspirited in a minute.

First I think it is appropriate to review the about face of, for example, the Minister of Public Works and Government Services. I would remind the House that this is not the first time that we have had a post office service continuation act. There was one in 1991 and of course there was one in 1987.

In 1987 the then Tory government brought in basically the same legislation that we are faced with today, perhaps not as draconian as what is being brought in today because there was not a legislative settlement. I quote from *Hansard*, October 9, 1987, the now Minister of Public Works and Government Services who at that time was the post office critic: "We should let Canada Post Corporation manage its own affairs". That is what CUPW was saying going into this. He further stated referring to the Tory government: "You are an anti-worker government. That is what you are".

It seems that something happens when they walk across that floor. Further to that I would like to add one of the other members of the now government who was in opposition at the time, the former deputy leader of the party, now down to being the Minister of Heritage. She stated, from *Hansard* October 13, 1987, referring to the back to work legislation: "It is so draconian in its influence that it is possibly a violation of the charter of rights and freedoms. This is a very onerous and draconian piece of legislation".

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Interestingly the legislation then, flawed though it may be because it did not offer a final solution to this, was not as flawed and draconian as that which introduced in this House today.

The reason that I have referred to this legislation as meanspirited is one specific provision in the bill. That is the inclusion of the rate and implementation dates of pay increases. The government is appointing an arbitrator to settle outstanding issues in this dispute but is taking the wage question out of the hands of its own appointed arbitrator.

The settlement in this legislation is less than what was offered by Canada Post. I am not talking in terms of what is the appropriate increase or whether this one is appropriate or not. There is no justifiable rationale for including the actual wage settlement in the legislation when you have your own arbitrator in place except to intentionally invoke a reaction from the unions.

The important question in this area is why did the government do this and what is its real agenda. Removal of this preimposed settlement is one of the amendments that Reform will be putting forward during committee of the whole. I sincerely ask the government to strongly consider allowing that amendment and supporting that amendment because it will take a bit of the meanness out of this legislation. Then it will only be as flawed as past legislations. guess. We are going to deal with other aspects of this as well to try to fix this legislation for the government.

• (1040)

Another amendment, the main one, will be to replace the toss a coin arbitration approach of the government with final offer arbitration in order to provide a fairer alternative to the strike-lock-out approach.

Why would any government want to introduce legislation that only serves to inflame an already bad employee-employer relationship and potentially set us up for the next strike less than three years down the road? If the government will accept this amendment we will be able to have a permanent postal service that Canadians can count on and we can then commence to deal with the internal problems of the corporation and its employees.

Canada Post Corporation came into existence through 1981 legislation by the then Liberal government. It provided three mandates for Canada Post. The first was to reduce the deficit. It has reduced the deficit. In fact, it has eliminated the deficit. We can therefore say that it has made good on that one part of the mandate.

The second part of the mandate was to improve service to the public. I do not know if there is anybody in this House who wants to stand up and defend the fact that Canada Post has not improved service. In my rural riding in particular the service has gone downhill by a great deal. It has not lived up to the second part of this. It takes longer to get a letter than it used to while postal rates have continued to increase. We are not getting mail delivery in

towns that come under the guideline of qualifying for mail delivery. In communities that do get mail delivery, when a new area of that town opens up it does not get mail delivery. Service has gone downhill.

The third mandate was to improve relationships with its employees. Maybe in its second mandate it might falsely try to argue that service is good, but I do not think there is a single person in this House who would have the audacity to rise in their place and suggest that relationships between Canada Post and its employees have improved.

I mentioned that our solution to this is final offer arbitration. This is something we have talked about a lot. Some people have asked what exactly it involves. We have fleshed it out in great detail. I think this is something the government should pay attention to.

I point out that when the government has occasionally made the remark that final offer arbitration does not work, the Liberals themselves, in the last Parliament, used this twice. It was the settlement mechanism they imposed to end the Vancouver port strike in 1994. It was the settlement mechanism they imposed in the Canada Transportation Act, a piece of legislation passed by the Liberals in the last Parliament as a settlement mechanism for disputes between shippers and the railroad.

I am going to pre-empt the NDP members by suggesting that if they oppose this they might consider that it was the NDP government that brought this in as provincial legislation in Manitoba some years back. In fact, it was the right wing party that took it out. I would therefore be real interested to hear their comments hopefully supporting final offer arbitration in this particular mechanism.

In final offer arbitration, as proposed by the Reform Party of Canada, all steps of the collective bargaining process will remain unaffected except for the final dispute settlement mechanism. The current final dispute settlement mechanism, which is not really a mechanism at all, a strike by CUPW or a lockout by Canada Post Corporation, shall be replaced with final offer arbitration.

At any time during the collective bargaining process an alternative dispute settlement mechanism can be used if it is agreed to by both parties provided it does not result in an interruption of service to the public. If all the steps set out under the rules for collective bargaining have been followed and one or more items of the contract remains unsettled and either party feels that no further progress can be made, the outstanding items only shall be dealt with through final offer arbitration.

• (1045)

One of the things that is important, and it counters what the government has done, is that the government has appointed the arbitrator in this legislation. I have already pointed out in this

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House that in appointing the arbitrator, the government has a conflict of interest.

It is like having a dispute between a company and its employees and the company gets to set all the rules. Alternatively, the dispute can be between a company and its union and allowing the union to set all the rules and arbitrarily impose things on the company.

I think it is wrong because the government is not even attempting to appear fair and impartial. It is simply setting the stage for the next work disruption just a few years down the road, maybe about the time some of the companies affected by this strike are just starting to recover.

In our idea of arbitration selection, when the negotiations reach the point of requiring arbitration, each party shall select three people as possible arbitrators acceptable to them. The two parties shall then have seven days to provide the other party with the names they have selected along with their curriculum vitae.

Each receiving party shall select one name from the list submitted within seven days of receipt and notify the other party of their decision.

This is to ensure that, if they simply have each party select their arbitrator, they could, innocently even or not, select someone that the other side simply cannot deal with because of past conflicts or any number of reasons.

This at least allows the opportunity for a selection from three. It still allows each party to select from that list, or select that list to be presented to the other side. It does give a little bit of leeway for each party if they have problems with one particular person.

The two selected arbitrators shall then have a maximum of 14 days to agree upon a third arbitrator who shall chair the arbitration panel and these three will then make up the arbitration team.

Upon selection of the arbitration panel, each party shall submit their best and final position on each outstanding contract item within 30 days of the arbitration panel's selection.

The arbitration panel shall notify both parties in writing of the location at which the final positions must be filed, including the precise date and time of the deadline for filing.

Failure to submit a final position within 30 days shall be considered an abandonment of the process and the other party's final position shall be accepted.

If both parties fail to submit within 30 days, the settlement shall then move to binding arbitration. The arbitration panel may not divulge any details of either party's position to any party until a decision has been rendered.

The arbitration panel shall consider each party's final position on all outstanding contract items as a single package, unless it is agreed upon by both parties to the dispute to deal with the outstanding items on either an individual basis or in specific groupings.

For example, anything that has to do with wages, money and bonuses, overtime rates and so on could be dealt with in a group that was agreed to by both parties. Anything that had to deal with hours of work, vacations, holidays, lieu days could also be dealt with in a single group if agreed to by both parties.

One of the advantages of final offer arbitration is that it tends to move both parties fairly close together. It does not guarantee that will happen but it does tend to do that.

For example, if an appropriate increase were \$1 per hour, if the employer were offering 75¢ and the employee group was asking for \$4, they are going to end up with 25¢ less than they would reasonably be entitled to. It would behoove them to try to get close to but perhaps a little above.

Likewise, if they are asking for \$1.25 when all the indicators are that they are only entitled to \$1 and the employer offers no raise or perhaps a cut in pay, then they are going to get more than they are entitled to, and so should they under those circumstances.

During the deliberation period of this arbitration panel when these two sides have submitted their best position, each party will be permitted one day not exceeding 7.5 hours to make personal presentations to the panel in order to justify their positions.

Each party will be provided with not less than five working days notice of the time, date and location of their personal presentation. This notice may be provided during the interim submission period.

• (1050)

The arbitration panel shall select the final position of the party whose position is most justifiable in accordance with guidelines set out for the arbitration panel within 30 days of the filing deadline.

The arbitration panel may not change or modify the position of either party. It is that mechanism that tends to ensure that both parties are reasonable or know that they are going to lose.

If, in the opinion of the arbitration panel, both parties are so far removed from a justifiable position, the panel may provide both parties with notice to resubmit their final position. Where this is done, each party will have 20 days to resubmit that new final position. The arbitration panel shall again notify both parties in writing of the location at which the resubmission must be filed and a precise date and time of the deadline for filing. No information on details of the first submission may be released before the final settlement is announced.

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If either party fails to resubmit their offer within the 20 day period, their last filed position shall be used by the arbitration panel.

The arbitration panel shall select the most justifiable position submitted within 20 days of the filing deadline for the resubmission.

Within 30 days of the announcement of the successful submission, the arbitration panel shall submit a full report containing the final submission of both parties and a full point by point justification of the arbitration panel's choice of the submitted offers.

If the report is not unanimous, the dissenting panel member shall submit a minority report within the same timelines as the other panel members. The minority report shall be appended to the majority report and shall form part of that report.

The report shall then be submitted to both parties and to the Minister of Public Works and Government Services. The minister shall table in the House of Commons within five sitting days of receiving it or, if the House is in an extended recess, the minister must forward copies to each opposition party within 14 calendar days.

The factors which must be considered by the arbitration panel. Before I read these, I would like to point out that I came to Ottawa as we were approaching the possibility of a strike, during the so-called break period. I contacted both Canada Post Corporation and the Canadian Union of Postal Workers. I offered to meet with them to explain the process and what we proposed, to seek their input.

I did meet with Canada Post Corporation. I talked by telephone with a member of the Canadian Union of Postal Workers, but I did not receive any submission from them with regard to this. That notwithstanding, I have tried to take into consideration the things that are fair to them as well as fair to Canada Post so that this becomes a balanced mechanism so that it can be deemed fair by both sides.

The factors which must be considered by the arbitration panel are:

First, the cost of living index since the last contract settlement. One of the basic arguments for an increase in wages, other factors aside, are changes in the cost of living.

Second, the average public sector increase since their last contract. I intentionally used the public sector because although this is a crown corporation and not exactly a direct government service, the union itself has argued against the concept of privatization and does not want to be part of the private sector. Therefore, it is appropriate that we look at the wage increases in terms of what is taking place in the public sector.

Third, the impact on postal service. This gets more into special conditions and what impact they would have on the postal service, pro or con. The financial impact of the contract settlement. No business of any kind, even a not for profit business can have a settlement where we do not at least look at what the impact of that settlement is.

Fourth, will the settlement cause an increase in postal rates in excess of inflation since the last adjustment. This is done not for CUPW or for Canada Post, but for the citizens of Canada. They have a right to expect reasonable rates and efficiency and it has to be a factor.

• (1055)

Fifth, any changes in job descriptions. If Canada Post has changed what it expects people to do, then it has to be reflected in the submission made by the union to say "we have changed what we do and therefore we are asking consideration that these rates change".

The final item is any public sector comparisons of any of the disputed items. What is the norm out there? If there is some condition of employment that either the union is asking for or the post office is asking for, then what is the norm in society?

These are the amendments we will be asking for. If successful, we will also ask for an amendment to the Canada Post Act to ensure this becomes a permanent settlement mechanism so that Canadians who have just gone through the hardship of the fourth postal strike in 10 years will not in future have to reel under another one.

In the same context I would like to remind the Minister of Labour of his speech when he said that he had no regrets in allowing this strike to take place. We all have regrets that this strike has taken place. It is the responsibility of this government to ensure we put in place a fair process so that this strike is Canada's last postal disruption.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, here we are discussing back to work legislation. This law will force some 45,000 workers to return to their jobs at Canada Post.

We would not have to deal with this if the government had calmly let contract negotiations unfold as they should have. Unfortunately, today, we have to consider a bill which is depriving 45,000 people of their fundamental rights, namely the right to negotiate their working conditions.

Our labour relations system is based essentially on this capacity that workers and management have to deal with each other, to strike a balance, to discuss and ensure that decisions are taken to improve work processes, that workers are satisfied with their work and that the employer also benefits.

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That is how our system usually works. But that is not how it is going to be now at Canada Post. It will not be like that because the government has decided to intervene. I can tell you right now that it would be easy to engage in demagoguery over this issue. Of course everyone wants to receive his or her mail at home. Everyone is really happy when letter carriers bring their mail to the door. Everybody considers this an essential service, a normal service.

Companies will be telling us, and in fact, some have already done so, how much money they are losing with this postal strike. There is no doubt about that and there are obviously hardships for business, for charitable organizations, and also for citizens. But it cannot be otherwise. This is a strike, this is an action by a group of workers that provides them with the means to exert pressure on their employer, Canada Post, and also on the government, because it is deeply involved in these negotiations. We should normally be letting these workers exercise their rights.

Of course if this action did not bother anyone, it would be nice for the public, but it would not give the workers much leverage. By definition, a strike hurts. This has been accepted for a long time in our society, and if we do not give this tool to the workers, if we do not let them express themselves as a group, if we do not allow them to negotiate their working conditions, we distort the rules and create problems for ourselves. Today the government has decided with this back to work legislation to create all these problems for itself.

• (1100)

What exactly is the situation with respect to the negotiations that have taken place? For several months now, the minister responsible for Canada Post and the Minister of Labour have been questioned in this House. We have even questioned the Prime Minister. What we have been asking is: What is going on with Canada Post? Is the government going to give negotiation a chance? Every time, the Prime Minister, or the Minister of Labour who got up ever so calmly and told us, about 50 times, "Yes, yes, just leave the process alone, let things work themselves out. They are talking, everything is going fine. We hope it will be settled". The minister responsible for Canada Post has been saying the same thing. Right up to the Prime Minister who told us "Let those people negotiate. They are capable of negotiating their working conditions. We hope it will be settled".

But how can it be that we now find ourselves in the situation we are in today, with such a seemingly well-intentioned government? How can it be that today they are using a special bill to take away workers' right to strike? Very simple: they have not played fair. Right from the start, as far back as August, the minister responsible for Canada Post has not played fair with negotiations. I am accusing the minister responsible for Canada Post of having acted in such a way as to deprive the 45,000 employees of Canada Post

of their ability to deal with the employer. They have lost their power to negotiate.

The minister was so cool when he met with representatives of the Canadian Direct Marketing Association. He felt as comfortable with them as with his buddies. He told them "Don't worry about a mail strike. First of all, they will negotiate a bit, then they'll go out on strike because they won't get anything. They will definitely go out on strike. They will look bad as a result of that. Then, within a few days, after being on strike for seven or eight days, there will be so much public pressure that the government will be justified in passing special legislation. I promise you that not only will there be a strike, but it will be a short one, and the government will intervene with special legislation".

On August 6, it was the minister responsible for Canada Post who took away the postal workers' right to strike. Today, that same minister is trying to pass himself off as an angel of mercy, the saviour of society, the saviour of Canada Post. The big bad posties will be forced back to work. This is the person whom I accuse of depriving workers of their right to strike.

This game the government is involved in is unacceptable. The government has imposed conditions which leave union executives and workers feeling that they have had the wool pulled over their eyes, that they have been abandoned. What is more, the government not only changed the rules and maintained an artificial climate of negotiations, unacceptable things happened between the union and management negotiators. Ground was lost. There was, however, evidence of good faith on the part of the unionized employees. Moves were made, but the employer remained intransigent.

When it gave in a little on points that hinted at progress, what happened? There was an altercation between the union and management negotiators. The government, the Canada Post Corporation has changed. I mistakenly said government rather than corporation, but everyone understands that it is six of one, half a dozen of the other. The government is distinguishable from Canada Post, but we know how close they are. The government has friends at the post office. Former colleagues work there. It is all related. These people are in touch every day. Do you think the government was not aware of the corporation's strategy? Come on. They are one and the same.

• (1105)

So the government, or its representative, Canada Post, changed negotiators and that is when things started to slip backward. The few advances made in the negotiations were lost. Things fell back to their original inflexibility.

We could go on at length about the demands, but, in the end, the employees want to keep their jobs. Can we blame them? They want to negotiate some salary increases after years of salary freeze, like

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everyone else, after the difficult situations they have experienced. We cannot blame them for wanting to improve their working conditions. It is normal, human and proper. We do not have to take sides in the debate in order to understand that these people are behaving well under the circumstances. They exercised their right to strike to preserve a number of jobs. Yes, postal workers are concerned. Yes, they have been and are still hard hit by technological changes on a daily basis. Yes, they have experienced many job losses in the past and the government has announced another 4,000 layoffs this time around.

Of course, they want to defend themselves. Of course, they want to do some damage control. Can anyone listening to us blame postal workers for fighting with all their might for their jobs, their job security, their wages and their working conditions? Of course not. We can however blame the government for showing so little compassion and open-mindedness and acting this way when it is responsible for tilting the balance in the negotiation process.

The saddest thing of it all is that, if we were looking for someone to blame, the person who messed everything up, we would have to point a finger at the minister responsible for the Canada Post Corporation.

Not only is the government forcing these people back to work, but it is doing so with an extremely tough piece of legislation. Fortunately, negotiations are ongoing between the opposition and the government to ensure that this bill can be passed today without what I might call overzealousness. These discussions will soften the bill somewhat.

I am pleased to report that, at least one of the sections of the bill that poses a major problem, the one dealing with the context in which the mediation-arbitration process is to be conducted, will be changed. We have the assurance that the government will agree to change the whole context set in section 9, which basically states that the mediator-arbitrator will be required to perform his duties in a context where the Canada Post Corporation is expected to meet the criteria applicable to private enterprise, where the word competitiveness is used and reference is made, although not explicitly, to potential privatization.

The context in which the mediator-arbitrator is expected to perform his duties makes no sense. It is important to understand that the Canada Post Corporation is a public service. The corporation must be efficient. Yes, performance requirements are necessary. Yes, Canada Post must be as competitive as possible. Yes, the level of service provided must not only compare with but exceed that provided by the private sector. But this has to be done in the context of a government service, a public service, not in the context of a corporation that some would want to privatize as quickly as possible to make even more money, without regard for services provided to the public.

So, we have the assurance that, through its work, the opposition—namely the Bloc Québécois and the New Democratic Party—will have obtained a softening of the arbitration rules by the government. Now, the arbitrator, whose hands were tied by the government even before he was appointed—even before he started his job—will at least have some flexibility. He will have some leeway, which means that workers may get an opportunity to be heard and their representations might influence the decision of the arbitrator who will be appointed.

• (1110)

We got this assurance and we are proud of that. The required amendments will be tabled during consideration in committee of the whole by an NDP member, but we are certain that they will be accepted.

We will also table other amendments. Bloc members will ask the government to make sure union members are consulted regarding the appointment of the mediator-arbitrator—after all, it is bad enough to force Canada Post employees to go back to work. If there is a possibility of an agreement, why would the government refuse to consult union members to appoint someone who may be able to enlist everyone's support, since that person would be entirely above suspicion and respected by all sides? We will be suggesting changes along these lines and we will see how they are received by the government.

There is also the question of salaries. Not only is the government forcing postal workers back to work, but it is giving them less than the last offer. The last salary offer was pushed back, resulting in losses for workers. Unless it was out of some sort of revenge, why would the government not give these people everything that was negotiated in good faith, the best deal possible so that there is some benefit for them?

We will also be moving amendments with respect to the obligation that the costs of the mediator-arbitrator be evenly split between the parties. The government must be asked to show some open-mindedness.

If, despite the mistakes it is making in this issue, the government were to agree during this working day to take some steps in the right direction—and I appeal to the common sense of those who sincerely do not want the situation at Canada Post to deteriorate—if the government were to agree humanely and in an open-minded manner, with the feeling that they have to make up for the gaffe of the minister responsible, they must be aware of it, if they were to agree to move, to make some accommodation, I have absolutely no doubt that Canada Post employees would return to work.

Yes, it would be with the feeling that they had in a sense been deceived by the government, but at least with the feeling that lawmakers on the government side, who are not necessarily party

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to the government strategy, those elected to represent the people, also represented them in this debate.

And without driving Canada Post into bankruptcy, without forcing anyone to shut down, without ignoring the need to be competitive, to provide good service, to rationalize, to do all these things, the legislator would at least have been sensitive to those who, for 12 days now, have been outside and who are quite properly calling for better working conditions.

In closing, I will say that the Bloc Québécois is against this bill. We are not about to take away workers' rights when we know full well that they have been backed into a corner by the minister responsible for Canada Post. The government simply has to understand that the opposition is going to do the responsible thing and move amendments to the bill that are designed to improve matters, to make up for this government's blunders.

• (1115)

[*English*]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, it is customary to say that you are happy to rise to speak on a certain subject or a certain bill. I cannot say that today. I am not happy to be here speaking on this particular piece of legislation.

It is not one of the things that I came to Ottawa to do, to vote in favour of working against workers rights. We certainly have no intention of doing so.

I want to open by saying how critical the NDP is of this back to work legislation. We believe it is heavy handed. It is unnecessary. It is an unfortunate intervention into the free bargaining process. Ultimately it will only serve to draw out the hostile labour-management relations that exist at Canada Post and to condemn the Canadian public to this kind of problem over and over again because in actual fact none of the root causes of the hostility will be dealt with through the most civilized way of dealing with them which is free collective bargaining.

That avenue of recourse has been taken away by this legislation that we are dealing with today. Even if service is resumed, even if the postal workers go back to work and deliver mail, nothing really is going to be resolved and again we may be back here in three or four years having the same kind of debate and the same kind of argument.

What we should be looking for is a lasting resolution. The only hope for that kind of lasting resolution is by the parties sitting down in good faith and being allowed to bargain without interference. That is the key. All along in this round of bargaining we have been seeing one type of interference or another. From day one we can trace this history right back to when notice to commence bargain-

ing was first served. The interference at that point was failing to come to the bargaining table in a reasonable amount of time.

There is no reason to be bargaining six months after the expiration of the collective agreement. That kind of bargaining should be done early in the year so that they can conclude a new collective agreement before the expiration of the old one. Work goes ahead, there is no work stoppage, the public is happy and workers are happy. That should be the goal and the objective. That did not happen.

Early in the negotiations, and we have heard other speakers make mention of this, we had the type of interference that is even more devastating which is that the spectre of back to work legislation was raised as early as, I believe, August 8. We heard the story from the hon. member, the House leader for the Bloc Québécois, about the Canadian Direct Marketing Association informing its membership of a conversation it had with the minister responsible who guaranteed at that time don't worry about the delivery of your mail. Even if the negotiations grind down a bit, we'll have them legislated back to work in no time. It will be a very short interruption and within seven or eight days service will be resumed. I believe that is what he said.

How can we expect the two parties to sit at the bargaining table and be able to negotiate in any meaningful way when one party knows full well it has this heavy handed, unfair competitive advantage that it can pull out of its briefcase at any time, slap on the table and get virtually everything it wants? It is not a recipe for any kind of lasting solution. The kind of hostility that already existed before bargaining started was only compounded and escalated and resulted in the ultimate problem which is a work stoppage.

Again I say that we are critical of the legislation and I am in fact saddened to be standing here having this argument. We should be very cautious as the House of Commons and as legislators to never enter into any kind of legislation lightly which will limit or forfeit individual rights. That is the beginning. It is the thin edge of the wedge. It is the beginning of a slippery slope and it gets to be too easy and too comfortable to use that kind of a cop-out to solve complicated social problems.

Mussolini made the trains run on time. That is all very well and good, but is that the kind of direction we want to go in as a country? I would argue it is not.

We should never enter into lightly anything that would limit workers' rights to use the only weapon they really have in a meaningful way—perhaps weapon is the wrong word—the only tool they have to use, which is to withhold their services.

We might think that a strike is a violent thing or a disruptive thing. That is not necessarily so.

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• (1120)

The very action of withholding one's services is a very peaceful and passive thing to do in an effort to settle an impasse of any type, just as negotiation is the most civilized way to try to resolve any impasse. When those negotiations break down, the next civilized thing to do in a situation like that is withhold one's services. It is a right that workers have been given under international conventions with the United Nations and the ILO because the world recognizes that this is one thing we have to have in order to remedy the historic imbalance that exists between employers and employees. There is an imbalance of power there that is clearly recognized and in order to level that playing field, workers need to be given that right.

Therefore as the House of Commons and as colleagues and legislators in this House, I really need to caution us to please keep in mind that we cannot let this kind of thing be a quick fix habit any time there is a dispute in the public sector or within the parameters of our influence, that we reach out for this heavy handed type of legislation that is a step backward for workers rights, human rights and individual rights. It puts us on that slippery slope to where we are not putting rights as our paramount and primary priority.

To understand some of the problems that we are going through today and to understand why we are here, we should have some background into the bargaining that led us into this mess. The outstanding issues are simple and both are mentioned in the legislation that has been tabled by the government.

The real issues of substance here are a shift in policy on the part of the corporation and the government to where excess revenues generated by Canada Post could be used for other purposes such as in general revenues, to pay down the deficit, et cetera. This has added a complication to the already complex bargaining relationship that has caused the problem we are having today and has resulted in this work stoppage.

The government has put undue pressure on Canada Post to yield these revenues and generate these excess revenues when in actual fact the mandate of Canada Post is to provide good quality service and to produce revenues to the degree that it can pay for its operating costs, capital investments and updating its physical plant. However, it was certainly never contemplated to be a cash cow milked by the federal government.

Canada Post Corporation is faced with this obligation to produce fixed amounts of revenue per year. It has already done all it could to increase productivity in the last seven or eight years. Even the former minister responsible for the post office, David Dingwall, commented that it had improved productivity by 63% in the years between 1982 and 1994. So it has done all it could in that respect. There has been an enormous increase in productivity.

At the same time, it had reduced its staff by 25%. I do not know how much more lean and mean, from a corporate point of view, one can get other than boosting one's productivity by 60% and reducing staff by 25%.

Now, even after all those gains, increasing and tightening of the belt or whatever the corporate terminology is, right sizing, there is this added pressure to come up with hundreds of millions of dollars more, not to add to the service provided by Canada Post but to add to the coffers of the Government of Canada. That is the pressure that Canada Post found itself under when it went to the bargaining table. The only way it could realize that kind of additional revenue was to dramatically change the rules of work and alter the workforce. It would have to harvest that revenue out of the existing workforce because it is not going to be able to do it out of increased marketing.

Naturally the union is then faced with the prospect, a looming spectre, of 4,000 job losses. It would be irresponsible on its part not to react in a vigorous way to oppose that kind of a job loss on behalf of the people it represents. Therein lies the impasse. It is really quite simple and easy to trace back. It would have been easy to fix at any time in the last six months of bargaining or at any time during the confines of this particular strike.

• (1125)

It would have been quite simple for the Government of Canada to tell Canada Post we are going to lighten up on this revenue thing. We want you to generate revenues sufficient to pay for operating costs and we are not too concerned about paying down the deficit using the revenues from Canada Post because it goes against the original mandate of Canada Post, against the Canada Post Corporations Act and against the mandate review that took place a recently as last year.

I would like to point out a quote from that mandate review. In the report from the Canada Post mandate review, George Radwanski recommended that Canada post be mandated to operate on a break even basis. He even said that it made no sense for Canada post to pay dividends to the federal government. He quite specifically referred to this a year ago. He said that such a requirement to pay dividends would result in postal rates that are higher than necessary, or it would result in fewer resources available to allocate for the necessary expansion of service considering that only 82% of Canadian households get direct mail delivery. There is a need for expansion of services.

The last thing I will read from the report is the actual recommendation. This is a quote from the report, recommendation No. 16: "That Canada Post Corporation be mandated to operate on a break even basis rather than pursue a commercial rate of return on equity, and that this break even basis be defined as generating sufficient revenue to cover operating costs to appropriate capital investments,

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expansions and improvements of core postal services, and the setting aside of such financial reserves to protect against revenue shortfalls and difficult years”.

That makes quite clear the intent and recommendation of this group of experts that reviewed the mandate of Canada Post. It clearly contemplated where excess revenues or where any revenues generated by Canada Post should be put.

What I am getting at is that we have a manufactured crisis here that was a tempest in a teapot, brought to a head by pressure brought by the federal government on Canada Post, which translated at the bargaining table into a demand essentially to change the work rules that would result in the loss of 4,000 jobs. No trade unionist worth their salt would have sat there and accepted that kind of an argument because it was so easy to trace back through recent history the mandate review, the Canada Post Corporations Act and anything else.

By way of background that is a bit of the history that got us to this terrible impasse; first the labour relations climate that has been hostile for a number of years, then the increased demand for revenue translating into problems at the bargaining table.

A solution to put the Canada postal service back to work and to provide service to Canadians and the small business people et cetera who are anxiously awaiting some kind of leadership from this House of Commons is the piece of legislation tabled yesterday. In retrospect, having had the luxury of time to review this and having come from a labour relations background where I have seen similar back to work documents, two clauses and two articles in the legislation leap out at me.

Previous speakers have correctly identified the key problem areas and we too will be presenting amendments to this legislation with the optimism that other members in the House will see the benefit in our arguments and put in place back to work legislation that is at least in keeping with the national standards of other back to work legislation and which does not go beyond the normal goals and objectives to get workers back into their jobs. That takes a bit of explanation.

I would like to start with article 9 of the proposed legislation, the terms of reference and the guiding principles that are set down for the mediator-arbitrator, really the things the arbitrator must take into consideration when making his or her rulings.

The way this clause is worded reads like a Christmas wish list for Canada Post. Within the parameters of this particular article lie virtually every hot and contentious proposition throughout the round of bargaining rolled up into one package and thrown into an article and snuck in the back door through the back to work legislation.

• (1130)

Normally back to work legislation, as I say, deals with getting workers back to work. It does not deal with making substantial changes to the way Canada Post conducts its business from now on and forever after.

That is what this clause would give licence to do. That is why it is offensive to us. We feel it is absolutely necessary that this clause be changed to put some element of fairness back into the whole round of bargaining and to the possible conclusion of the work stoppage.

I would like to read part of this clause that most offends members of our caucus. It says:

The mediator-arbitrator shall be guided by the need for terms and conditions of employment that are consistent with those in comparable industries in the private and public sectors and that will provide the necessary degree of flexibility to ensure the short and long term economic viability and competitiveness of the Canada Post Corporation, taking into account

(a) that Canada Post Corporation must—perform financially in a commercially acceptable range.

None of this is from the Canada Post Corporation Act. None of this can be found in the mandate review. None of this has been agreed to. Our argument is that if the Liberal government plans to make these substantial changes to the way Canada Post conducts itself, it should do it through the front door with amendments to the Canada Post Corporation Act and not try to slide it in under the table with a piece of legislation that is supposed to restore postal service to Canadians.

We will certainly have an amendment to present under that article to change it to restore some semblance of fairness to the whole issue.

Another clause that obviously leaps out is that this piece of legislation dictates the wage increase the workers going back to work will receive. This goes well beyond what we would like to see in any kind of back to work legislation in that it takes the monetary package out of the hands of the arbitrator.

The arbitrator will no longer be able to consider what is fair or what is not fair. The arbitrator will not be able to look at the arguments that were made during the negotiations or take into consideration the employer's ability to pay or the market share or prevailing cost of living increases.

None of these issues will be there on the table for the arbitrator to look at because the increases will be predetermined within the legislation.

We are critical of the whole concept of having wages set by legislation because frankly MPs in the House are not qualified to vote on this issue. We were not privy to the debate. We do not have access to the books. We do not know the bargaining history. Why

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should we be voting on something as specific as a 1.9% increase in the year 2000?

It is not suitable to be dealt with in the House because with all due respect nobody here has that kind of background. The people at the bargaining table do and the arbitrator will. It should be up to the arbitrator to make that ruling.

Secondary to our criticisms of article 12, above and beyond the whole premise that it should not be there, is the fact that the wage offer made is actually lower than the last offer on the table from Canada Post Corporation to the union.

We do not know, as the House leader of the Bloc Quebecois indicated, whether that is out of malice, whether they are trying to rub somebody's nose into it, whether it is just an oversight, or whether it is strictly financially driven. It is such an insignificant amount that it leads me to believe that there is more here than just financial purposes.

Let me say what the difference is. The last offer made by Canada Post Corporation was 1.5% in year one, 1.75% in year two and 2% in year three. The mandated settlement here is identical except that in year three it is 1.9% instead of 2%. We are talking one-tenth of one per cent just as a significant sort of gesture. We are going to kick them while they are down. We are sending them back to work. We are taking away their right to strike. We are taking away any opportunity for them to have any input into what their wage settlement will be. By the way, we will take a little away from them too.

There is another more costly significant change in here. They are delaying the imposition of the increases by six months.

• (1135)

Whereas Canada Post offered to pay the wage increases retroactive to the date of the expiry of the collective agreement, this current legislated package states that the agreement will start on February 1, 1998, a difference we have calculated to be a saving of \$35 million out of workers' pockets over the course of the three year life of the agreement.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have a couple of comments to make and a question for the member.

I found it interesting that the member reviewed some of the history of Canada Post and its productivity gains. This is very important. It is also very important that the government gave the bargaining process a chance to operate. The Minister of Labour should be congratulated for the patience he extended to all parties to ensure the process had an opportunity.

When I listened to the member it resonated within me that what happened in the past is one issue, but the consequences of what has gone on so far are equally important particularly as they relate to the future of Canada Post.

The Radwanski report certainly made a number of interesting recommendations, but all members will know that Canada Post has lost substantial business to its competitors. Many businesses have now started to rely on private courier services and others. They have entered into long term contractual arrangements which will hurt Canada Post. This will exacerbate the situation it has been dealing with in terms of trying to modernize Canada Post.

Canadians know that businesses are losing \$200 million a day as a result of the strike. Canadians and members will know that charities are losing tens of millions of dollars in donations because this is the period of the year in which they do most of their donation collections.

The issue of whether or not Canada Post should be an essential service does not necessarily mean there will be labour peace, but we know Canadians will be raising these questions again. It is extremely important that we stop worrying about what happened in the past and start recognizing the issues of today. The real issues today are that Canada Post will be put under more and more pressure to provide a cost effective service for all Canadians.

The member says that the legislation is offensive to the NDP. He should know the strike is offensive to Canadian businesses that are losing jobs and are cash strapped. They cannot get the cash flow they need. He should also know that the strike is offensive to Canadians who are waiting for communications throughout the Christmas season from their loved ones and families. They do not want CUPW to be the Grinch who stole Christmas from them. They want their Christmas. The member knows that this situation is also offensive to charities. I do not think like the NDP.

The member indicated that he has some experience in labour relations. The minister indicated that the settlement, including the prescribed increases up to February 2000, is in line with current settlements within the public sector in terms of rates.

The legislation lays out the parameters which are consistent with other public sector settlements at this time. Could the member explain why he feels it is inappropriate for the bill to establish the parameters of a three year contract?

Mr. Pat Martin: Mr. Speaker, I will answer the member's question first and then comment on some of his comments second.

• (1140)

A three year agreement should not be found in this legislation. We should not be voting on that aspect because the two parties have

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already agreed to a two year agreement. The wage rates of 1.5%, 1.75% and 1.9% should not be dealt with in the House.

As I outlined, we do not have the background information. All our information is anecdotal, driven by a motion. Now that we are into a strike there is no real comparable workplace we can use as a touchstone or to draw a comparison because Canada Post is unique.

We should take into account profitability or the employer's ability to pay. We have to keep in mind that Canada Post made \$112 million last year. Granted in recent years it has had poor years but it has tried to correct that by increasing its market share. Granted it lost some in some areas and gained in others.

Canada Post contemplates market growth of between \$500 million and \$800 million in coming years. It is actively marketing and trying to make up for the share of the market it has lost through the advent of technological change and various other things.

It does not change my argument that the House is not qualified to make this type of ruling in any kind of a fair way. We can do it. We are really looking for a lasting resolve and a lasting resolve will not come from a legislative settlement because all the hostility, the pent up hostility and bad relations will still be there. None of it will have been worked through in any kind of mature or sensible way at the bargaining table as we hoped would be possible.

Other interests are disadvantaged by the strike such as the Canadian public, charities and small business people. We are sensitive and sympathetic to that but the fix was there. There was an easy solution early on in the strike. There was an easy solution before the strike even started. Those were the policies of the Liberal government which were trying—and I used the words in my speech; maybe they are a bit strong—to milk the cash cow of Canada Post by demanding revenues above and beyond the revenues necessary for operating costs.

The government could have solved it or nipped it in the bud even before we had a strike by backing off on at least some of the demands for profit, and we would not be in the crisis we are in now. As I said it is manufactured crisis.

I hope that answers some of the member's questions.

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Speaker, I would like ask a question.

The hon. member said that the bill was unnecessary. Basically that means leaving the workers on strike in order to settle. I point out to him that in one of the strikes in which they were ultimately legislated back went on for six weeks.

There has been \$3 billion worth of damage to the business economy in less than two weeks. Is he suggesting that we should

allow the strike to go on for six weeks or even longer? The six week one was settled with back to work legislation.

I have another question. I am having a little trouble understanding the position of the NDP in this regard. It says it is totally opposed to the legislation. Yet it allowed the bill to be fast tracked without opposition. It also agreed to what amounts to time allocation on the bill. It did not oppose that either.

Perhaps the hon. member could explain briefly why he says on the one hand that members of the NDP will fight the legislation and on the other hand they agree to expeditiously handling it in the House?

Mr. Pat Martin: Mr. Speaker, in answer to the first question, we have to deal with every type of labour impasse on its own merits. There is no saying that they were out for six weeks last time so we have to nip it in the bud before it goes on that long this time.

That does not wash. That really does not add up. Every set of circumstances is unique, especially this year when we are dealing with a set of circumstances the two parties have never had to wrestle with in their history.

In actual fact when I say we should leave them at the bargaining table, it was with the optimism that there would be a lasting settlement. My own experience in labour relations is that until those longstanding wounds actually start healing, you will be doomed to repeat this process year after year after year.

• (1145)

I am not saying that we should have allowed them to strike for six weeks or six months or anything else. I am saying that we should have let collective bargaining, without political interference, take its course and play itself out. Then maybe we could go for a decade without a serious labour impasse instead of the interruptions we are seeing.

The member asked why we allowed the motion yesterday to receive unanimous consent. I would point out that his party did the same thing. We did that because there are a whole bunch of interests at stake. Reform members, Liberal members and Bloc members have all mentioned that the Canadian public wants its postal service back. Canadian business is suffering. Canadian charities are going through their main fund-raising period and they need it back. However, there are 45,000 postal workers whose interests also have to be recognized.

The legislation was being brought down. By the end of the week it would have been done. We used every political advantage we could to make the settlement as fair as possible and that was the conclusion we came to.

[*Translation*]

Mr. Gilles Bernier (Tobique—Mactaquac, PC): Mr. Speaker, I would like to rise today on the debate on Bill C-24, the postal services continuation act, 1997, better known as the back to work bill.

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I would like to talk about the strike that has been going on for two weeks at Canada Post, about how it is part of a long series of labour conflicts at Canada Post and about how the present government, far from bringing in a solution, has made the problem worse because of its neglect.

[English]

First and most important, I want to show how this work stoppage has hurt Canadians, Canadian businesses and Canadian charities.

Second, I will illustrate how a failure of leadership on this dossier is part of a pattern of this government which is failing to serve Canadians.

Third, I want to contrast the government's lack of effectiveness on this issue with how an earlier Conservative government dealt competently with a similar situation back in 1991.

Finally, I want to discuss what the future holds for Canada Post and the real need for leadership by the government in this area.

There can be no doubt by anyone who has read a newspaper, listened to the radio or watched television in the last dozen or so days that this postal strike has hurt not just Canada Post but most of the 93% of Canadians who still use the post office as an important means of communication.

For those who work in mail sensitive industries and who have either lost business or their jobs, the effect has been devastating.

Last Wednesday the Canadian Federation of Independent Business released a survey of its membership which showed that 96% of small and medium size businesses were adversely affected by the interruption of the postal service. Using conservative assumptions, the CFIB estimated that business losses are totalling more than \$200 million per day.

What do these numbers mean? For Greg Dickie of Delong Farms in Truro, Nova Scotia they meant that he had to close his mail order Christmas wreath and gift business and lay off 100 people this season. For Robert Van Velzen of S.S.A. Incorporated in Markham, Ontario they meant that he lost a half-million dollar U.S. mail sorting contract and had to put a dozen people permanently out of work. Columbia House, which ships contact discs and videos across the country, had to lay off 200 people last week. Télémédia Publishing is losing hundreds of thousands of dollars a week.

[Translation]

The owners of Golfinn International, a company that distributes golfing equipment and accessories, Dave and Jane Finn, who make 60% of their sales at this time of the year, had to lay off 17 of their employees. A Saskatoon weekly, the *Western Producer*, which is distributed mostly by mail, did not publish last week and lost \$250,000. According to Terry Robinson, of Sir Mail Order Sporting

Goods Ltd., his company is losing \$25,000 a day because of the strike.

● (1150)

[English]

Overall, the CFIB survey showed that almost 80% of small businesses are using faxes or higher cost couriers. About two-thirds are making their own deliveries or pickups. Half have had their cash flow interrupted and one in ten have lost orders.

The Canadian Direct Marketing Association estimates that layoffs in their industries are in the thousands. The CDMA includes many charities which estimate donations by mail have dropped \$10 million per day. For example, the Welcome Home Mission of Montreal which provides food and shelter for 3,100 families each year receives 40% of its annual revenue by mail in the month of December. Their executive director wrote to us just before the strike began and said "I can attest that a postal strike will have disastrous effects on our revenues which will result in fewer services for our clients".

He is not alone. The United Way of Greater Toronto estimates that it is out \$1 million from its direct mail campaign this year. The Salvation Army reports that it too is hurting. Seventy per cent of its revenues come in the mail. The Canadian Lung Association's Christmas Seal Campaign is the country's biggest holiday fund raiser. Each Christmas it brings in \$8 million in donations, representing 80% of the association's annual revenues. It is now in a state of near crisis. Likewise UNICEF Canada sells almost four million Christmas cards a year which would normally yield \$1.5 million for them in earnings.

What are these organizations supposed to do this Christmas? These groups help hundreds and thousands of Canadians in need each year. Where was the Minister of Labour when they needed him?

Most of all, Mr. Speaker, this strike has hurt Canadians badly. As already mentioned, thousands have been laid off work because the government failed to act early on when it could have prevented the strike. For those most vulnerable in our society, those Canadians who depend on some form of government assistance for part or all of their income, this strike has been particularly difficult and the government has been particularly without compassion.

On August 12 I wrote the minister responsible for Canada Post and urged him to examine all available options for the dispersal of government cheques in the event of a postal strike. In response to this the minister signed an agreement with the Canadian Union of Postal Workers to allow for them to continue to deliver employment insurance, TAGS, CPP and other cheques in the event of a strike. Unfortunately, for Canadians who depend on these cheques, the Department of Human Resources Development Canada decided not to honour this commitment and chose instead to imple-

ment its own cheque distribution system which at best can be called chaotic, at worst, cruel and without compassion to those who need assistance to provide the basic necessities of life for themselves and their loved ones.

One man who has asked that I not use his name was unable to purchase insulin for his mother because his cheque was over a week late. Another woman who had to rush her son to the hospital late one night last week ran out of gas. With no money for gas, she had to call on strangers for assistance to help get her son there. Fortunately he is now okay.

Normally this would be embarrassing enough for any government to take steps to treat its clients with a bit more respect, but not with this government. To add insult to injury Canadians who drove in some cases hundreds of kilometres to the nearest cheque distribution centre on November 20 were asked to sign a computer printout that had the names, social insurance numbers and the cheque dollar amount of everyone in their community who was receiving an assistance cheque. Acting on these complaints, my office was successful in asking the Privacy Commissioner to investigate and to put a stop to this Orwellian practice.

Why does this government choose through its own neglect to allow this strike to cause so much damage to the Canadian economy, to businesses, to charities and most of all to the Canadian public? This is not an isolated incident but a pattern within this government that shows a leadership vacuum beginning at the top.

• (1155)

In the lead-up to the 1995 Quebec referendum on sovereignty, the Prime Minister was asked many times to speak on this issue and to make a gesture of unity with the people of Quebec. He refused. It was not until the dying days of the campaign when the Prime Minister realized that all could be lost that he made some token offers to Quebec. Were it not for the generosity and spirit and sincere love of this country shown by Canadians at the Montreal rally, were it not for the commitment of the leader of my party and his willingness to put everything on the line for this country, all would indeed have been lost.

The Kyoto conference on climate change opened yesterday with all of the major countries having made their position known months ago, all except Canada. Our government waited until yesterday. Delegates from other countries and the organizers of this conference have remarked that Canada has lost its credibility on the environment.

Five years ago our Conservative government led by my leader, who was then environment minister, showed Canada's ability to lead at the Rio Earth Summit because we were prepared.

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In 1993 on the advice of the defence department our Conservative government showed leadership and foresight by deciding to replace the aging Labrador and Sea King maritime helicopters with new EH-101 helicopters with made in Canada electronics and airframes. This helicopter purchase would have put Canada on the cutting edge of technology in this field with no additional burden to the taxpayers. The Liberal government, however, cancelled this deal at exorbitant expense. Now the old helicopters are five years older and Canadians are still waiting to hear what solution this government will have to replace them.

Everywhere we turn this government chooses procrastination over leadership, the same kind of failed policy that hurts so many Canadians in this postal strike.

The royal commission on aboriginal people submitted its report over a year ago. What has been the government's response? It has not finished reading it yet.

What about the year 2000 problem? What is the government's plan to overhaul its computers so that the system does not crash on January 1, 2000? It does not have one yet. It said "We'll write the cheques out by hand if necessary". That is what the public works minister said just three weeks ago.

Then there is fish. It is not enough that the cod stocks are gone and this government could not negotiate lunch with the Americans, let alone a Pacific salmon treaty, but now the Atlantic groundfish strategy is about to run out of money and this government has absolutely no plan to deal with the thousands of fishers and fish plant workers who will be cut off next year.

Leadership, that is what successful government is all about. But we have seen that the Liberal government is devoid of anything resembling real leadership, whether it be on fish, helicopters, the environment, aboriginal peoples, the future of our country or on Canada Post.

Where can we look to for an example of real leadership? In October 1991 there was a Progressive Conservative government in power faced with a labour situation not that different from that faced by the current government. Back then Canada Post was negotiating to bring a number of unions each with their own collective agreements in with CUPW under one agreement. A series of rotating strikes in August had urged the government to do whatever necessary to allow the two parties to come to successful negotiation.

This took three steps. First, a very effective and experienced mediator, Quebec Chief Justice Alan Gold, was brought in to help the parties negotiate mini-agreements in a number of sectors. Unfortunately, Canada Post and CUPW were unable to conclude a global agreement at that stage, even though they had worked out partial agreements in many areas with Justice Gold's help.

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Step two was to pass the Postal Services Continuation Act, 1991. With the end of mediation the two sides would soon be in a position to lock out or to strike and it was necessary for the government to prevent the damage to the Canadian economy that would result from a work stoppage just before Christmas.

This law precluded either Canada Post or the union from inflicting harm on Canadians through the use of a strike or lock-out. It also recognized and formalized the agreements already reached by negotiators during six weeks of talks under mediator Alan Gold. These included an immediate pay raise of \$2.03 per hour for workers and a down payment on retroactive pay amounting to over \$3,600 without having to wait for the arbitrator's decision.

• (1200)

The third step was to provide the parties with an alternative dispute settlement mechanism. The Postal Services Continuation Act did this with arbitration as is frequently used in the case of essential services.

With the Canadian public protected from a work stoppage, the gains negotiated by the union guaranteed in the new agreement with immediate financial compensation to the workers, and a way for the two sides to reach an agreement, CUPW and Canada Post were able to do just that in the new year.

The Postal Services Continuation Act is an example of true leadership on a difficult issue and should serve as a template to other governments. However, when we contacted the labour minister's office on October 30 of this year, as soon as it became apparent that the collective bargaining process had failed, we were told not to worry, that things would work themselves out. The fact that they did not is a testament to the failure to provide leadership by this government and by this do nothing, say nothing, sleepwalk his way to retirement Prime Minister.

Unfortunately the problem does not end here. Assuming that the government is able to pass this legislation, we still have a crown corporation and a union with a labour relations record that would make Jimmy Hoffa blush. Since postal workers were given the right to strike in 1967, there have been no fewer than 11 work disruptions. This is symptomatic of a government owned company that is utterly adrift and has lost both its anchor and its rudder.

[*Translation*]

The Government of Canada has no plan of action for the future of Canada Post. The Liberals have not designed for this crown corporation a plan that takes into consideration the new choices that Canadians have for the delivery of mail, including messenger services, electronic mail, fax machines and direct deposits.

The government has not defined any business strategy to ensure the continuation of Canada Post services for Canadians, it has not looked into the means available to develop new markets such as electronic data transfer and it has not decided once and for all whether or not it wants to privatize Canada Post.

The Minister of Public Works was not straightforward on this issue during the strike; first he stated that there would be no privatization, then he threatened the union with the privatization of that crown corporation, and then he changed his mind and repeated that he would do no such thing.

[*English*]

The fact that the Liberal government would allow a postal strike to occur shows that it has been sleepwalking through the last four years. Now more than ever, Canadians need a plan for Canada Post.

On November 24 in this House the minister responsible stated that the government had taken the Canada Post mandate review report, answered the report and given a new mandate to Canada Post. The minister went on to say, "I am sure with the negotiated settlement that mandate can be achieved".

As the minister will know, the mandate review contained 31 recommendations about improving Canada Post. The minister has yet to deal with those recommendations appropriately as the vast majority of them were ignored by this government. Given the current crisis that exists at the crown corporation, it is time for him to revisit those recommendations.

The report of the mandate review released in October 1996 and the subsequent report conducted by TD Securities and released in April 1997 both identified serious concerns about the labour situation at Canada Post. The government has known about the pending labour situation for some seven months yet the government failed to take constructive measures to correct that situation before Canadians became burdened with this postal strike.

[*Translation*]

We know that this crisis at Canada Post is mostly due to the chronic lack of leadership from the present government. The public has certainly complained to a large number of members here about the hardships that this useless strike is causing them.

I already mentioned one of the measures used by the previous Conservative government to settle a serious labour conflict at Canada Post and how we could have completely avoided this break in services. You have heard the story about the continuing problems of a crown corporation that is receiving almost no direction from its shareholder.

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[English]

The reality of course is that Canada Post is not actually owned by the government. It belongs to the people of Canada. This government owes it to Canadians to get down to developing a practical, realistic and comprehensive postal policy for this country instead of the piecemeal approach it has taken so far.

• (1205)

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Madam Speaker, I pretty much agree with what the hon. member had to say on the subject of Canada Post. However, I certainly do not want to give him *carte blanche* for everything he said.

I would very quickly point out that the previous Conservative government legislated an end to a postal disruption in 1987 and again in 1991. In both cases it recognized it was essential to keep the mail moving in this country. It reacted by bringing in legislation. But obviously it did not solve the problem because here we are in 1997 with another postal strike and legislation to end it.

Does the hon. member regret that his party did not bring in a permanent solution to this so that we would not have to keep going through this year after year after year? Does he also regret that the Liberal government has not done anything to bring about a permanent solution to this? Does he support Reform's position that we need a permanent solution to this labour disruption so that Canadians can once again count on their mail always going through?

Mr. Gilles Bernier: Madam Speaker, I agree with the hon. member from the Reform Party when he says that he agrees with most of what I had to say. I would have been happier if he had agreed with all that I had to say.

To answer the questions, if we were the government we would go the extra step because we believe that Canada Post is an essential service. In 1967 or 1969 the United States passed legislation to make it against the law for postal workers to strike.

With this postal strike now, right around Christmas, how many businesses are hurt, how many thousands of jobs are lost. Talk about the children of this country. Santa Claus is a big thing for them. They are not even sure if they would be able to send mail to Santa Claus. I may not believe in Santa Claus but there are a lot of kids in this country who do.

I totally disagree with the government's route on this that it waited so long. The economy of the country has been almost crippled by this strike over the last week and a half. Canada Post is losing \$20 million a day. I have been in business for some 15 years. I do not know of any corporation or any business in this country that could sustain a \$20 million loss per day. I do not know of one. Yet we have a government that has kept sleepwalking through the

whole process and waited to take action until this last week and a half.

If we look at the papers from last year, Canada Post claimed that it made \$112 million in profits. After five days of this strike there goes its profits for this year. Who is going to pay the difference this year? Canada Post is not going to make a profit. It is going to have a deficit.

An hon. member: The government.

Mr. Gilles Bernier: Oh, now it is up to the government. The government is going to pick up the tab, but who is the government? It is the Canadian people. I say enough is enough. We are here to do a job. Let us make sure that the money is well spent and put in the right place. This morning I was glad to see that Canada Post would be legislated back to work because we just cannot afford to have the corporation lose \$20 million a day.

[Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Madam Speaker, I would like to ask my colleague a question, but first I will say just a few words, mainly that the small businesses suffering because of this strike have my sympathies. We must, however, remember that the Canadian charter gives all of us have the right to belong to a union.

• (1210)

The government has introduced legislation, which once again attacks working men and women, and I find this regrettable. I would therefore like to know, in response to one of my questions, whether the Conservative Party would be prepared to propose amendments and to fight against what the government is in the process of doing.

It is not true that, if the government wants to pass legislation that is against the workers, forcing them back to work, they will be the only ones punished. What has been brought before the House today is shameful. It is a backward step in the negotiations that have already taken place between the employer and the workers, and a backward step as far as wages are concerned.

I would like to ask a question of my colleague from the Conservative Party. He says he does not want any more strikes at Canada Post. Will he therefore confirm before the people of Canada, the workers of Canada, that he is against free bargaining for all postal workers? Is that what my colleague is telling us?

For the record, I want it noted that the Conservatives' position is one of opposition to postal workers having the same right as all other Canadians, that is the right to strike and the right to continue to strike until a negotiated settlement is reached.

What was their opinion around August 6 when the government interfered in the bargaining process and indicated to the employer

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that there would be no problem if there were a strike, because it was already thinking of bringing in back to work legislation? This is not how collective bargaining is meant to work. In my experience of unions and collective bargaining, when a third party with a certain degree of power comes and sticks its nose in where it does not belong, I can guarantee that the outcome is not good negotiation.

I would therefore like to hear what my hon. colleague from the Conservative Party has to say to that.

[*English*]

Mr. Gilles Bernier: Madam Speaker, I appreciate the question from my colleague from New Brunswick for the NDP. We are not against unions at all but we need to be responsible.

The union at Canada Post represents 45,000 workers. Canada Post has been losing millions and millions of dollars. Businesses have been losing millions of dollars. Charities have been losing millions of dollars. And what about the other 29 million Canadians who deserve to get their mail?

In this country we have a law that police officers cannot strike. We believe that Canada Post is an essential service the same as the police officers in Canada. I am not against the union. I support the union in some cases but there has to be fair bargaining.

This strike has dragged on for the last week and a half. How many more millions of dollars does the member want to inflict on Canadians and on Canada Post? How far does it have to go for the member to recognize that they cannot reach an agreement? Something has to come out of this.

As my hon. colleague should understand, we are all here as members of Parliament to do a job and to represent Canadians. The next few words are very important: the interests of all Canadians, not just the union, all Canadians. Until the hon. member can differentiate between a few thousand workers or all Canadians, I think the hon. member has a few problems in this House.

Mr. Jerry Pickard (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Madam Speaker, I was listening very carefully to my colleague's remarks, particularly the remarks about an essential service.

I have a little difficulty reconciling the fact that my colleague's party was in power from 1984 to 1993, for nine years. It had the opportunity to bring in the kind of legislation that would say Canada Post is an essential service and workers cannot go on strike. But now they stand in opposition and say exactly the opposite of what they said when they were in government. I have a problem with that and I wonder if my hon. friend can reconcile the fact that he said one thing from 1984 to 1993 and a second thing now.

• (1215)

An hon. member: He wasn't here.

Mr. Jerry Pickard: His party was.

The Acting Speaker (Ms. Thibeault): We were on debate.

Mr. Jerry Pickard: Madam Speaker, I thought we were on questions and comments. I did not hear your comment about debate. I thought I was recognized as being up on questions and comments. Could the member have a chance to respond before the debate begins?

[*Translation*]

The Acting Speaker (Ms. Thibeault): The hon. member for Tobique—Mactaquac, if he wishes to respond, but very briefly please.

[*English*]

Mr. Gilles Bernier: Madam Speaker, I appreciate the question from my colleague on the other side of the House. It goes for both sides. Back in 1987 and 1991 we were in power. We legislated them back to work even before there was a strike. There was no strike. The member's own government voted for it. This included the prime minister, the finance minister, the labour minister, the minister of public works. They were all on board. What is the problem with the member's party today that it has allowed the strike to drag on for a week and a half? Canada Post could lose \$20 million a day, which is not marbles.

Mr. Jerry Pickard (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Madam Speaker, I will be splitting my time with the member for Mississauga West.

Let us look at what this debate is about, at what this legislation is about and at what the negotiations up to this time have been about. They are about who manages and controls the workplace. There is absolutely no question that the management and control of the workplace is ultimately very important.

Our government has set a mandate for the Canadian postal service that it is to be self-sufficient, that it is to operate by a most viable productive method to provide mail service to all Canadians at a reasonable cost. When we get into discussions of the direction of government policy it is very important to realize that this government has told Canada Post there will be no increases this year and next year. That is clearly the mandate of this government. We have a direction in which to go to provide no increase, positive services and increased service where possible.

Let us examine the other side of the question. The union has its national postal workers handbook which contains its national

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constitution. I will put this statement on the record because it is very critical in the explanation of why the negotiations have broken down: "The Union views as a primary direction the accomplishment of workers control of the workplace. This principle ensures that the union and its members will seek at all junctures to limit the power of the employer to organise our jobs and the methods of production and planning of the work. In its place, the union will seek for its members full control of the work they perform and the environment in which they perform the work".

If we think about that statement, the union has said that Canada Post will no longer control Canada Post, the union will. The union is saying that it will not accept any control over jobs or any control over the directions it takes. It will control the workplace and everything its members do. Canada Post cannot manage its workplace nor penalize its workers for not performing their jobs.

• (1220)

We tried very hard to get negotiations through. We tried mediation and conciliation. We tried to provide room between the union and Canada Post to resolve the problem. But where the attitude is and written in the national constitution that Canada Post is not to control Canada Post any longer, then legislation had to be brought in. We had to look very carefully at what was happening within the jurisdiction.

It is now time to get back to work. Many Canadians are hurting because of the postal strike. The strike is hurting charities which count on most of their support at Christmas. The strike is hurting thousands of small businesses which very much depend on the mail service. The strike is hurting hundreds of mail order businesses which, in most parts of this country, receive a majority of their business in the month leading up to Christmas. The strike is hurting people who are employed in businesses which are now facing layoffs. In short, the strike is hurting many different Canadians in all areas of the economy.

I would like to talk about the terrible impact this strike is having on charities. These organizations serve the most vulnerable members of our society and depend on the generosity of Canadians during the holiday season for the majority of their funds. These organizations do most of their fund-raising through the mail. That is the most affordable and convenient way of receiving funds and donations to help Canadians. Charities have been vastly affected by the uncertainty of the last while.

I would like to give the House some examples of what the postal strike means to some of the charities in our country.

The co-ordinator of the Christmas Seals program in Alberta, Audrey Hamm, said that the Alberta Lung Association depends on Canada Post to deliver 95% of its donations. Ms. Hamm added that a lengthy postal strike would probably mean a reduction in its revenues by some 50%.

Nicole Mirault of the Canadian Cancer Society said: "We risk a catastrophe. In Quebec alone millions of dollars come through the mail each year. We don't have the means to use couriers. We rely on direct mail service. Therefore we would be grossly negatively affected".

The Inter-faith Food Bank in Calgary hoped to raise around \$100,000 through mail donations this season, but people are not sending in Christmas donations because of the uncertainty.

As a result these organizations, be they UNICEF or the lung association, are suffering a great deal because they do not have the funds coming in.

Even those organizations which managed to get their appeals in the mail before the strike are not receiving donations at this point in time. If charities do not get the donations at Christmas they may never see those donations.

This time is very important. We must get our postal service back onstream so these organizations can get the support of generous Canadians and be certain that through this season they will be able to do what they have done for Canadians in the past.

When it comes to business, of course there are many areas which are affected. Small and medium size businesses, according to a survey carried out last week by the Canadian Federation of Independent Business, are losing \$200 million every day of this strike. Everybody agrees that these companies are engines of our economy. They create opportunity for millions of Canadians, yet this strike has already cost \$2 billion.

Every hour that passes is costing our economy millions. When we talk about the cost to the economy we tend to focus on dollars and cents, but there is an enormous human cost as well. Thousands of Canadians have been laid off over the last few weeks by companies which depend on mail for their business. Without Canada Post, many mail order businesses, direct mailers and others simply have to close their operations and lay off workers.

• (1225)

Let me give some examples. The *Western Producer*, a familiar name to those who reside in western Canada, relies on Canada Post to reach its readers. It did not publish last week, meaning that it lost all the advertising and subscription revenue for that week. As a result it had to lay off 65 of its 80 employees.

Columbia House, one of the best known mail order companies in Canada, last week laid off 200 of its 400 employees. Layoffs will continue if the strike goes on.

GWE, a mail order house in Calgary, employs 1,500 Canadians from coast to coast. As of last week it laid off 700 members. More layoffs may follow.

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Golfinn International, a mail order company specializing in golf equipment, had to layoff 17 of its employees because of the strike.

Christmas will make or break many of our small companies. It remains to be seen whether we recover from the effects of the strike. The postal strike has forced many businesses to lay off people. There is an economic cost. People are laid off, they will not be spending money during Christmas time, and in many cases the public suffers.

But there is also an enormous human cost. In conclusion, I would like to give the decision of the union not to back the work legislation. We received telephone calls in our office, through the minister's office, approximately 1,600 inquiries in the last week, of which 96% said they want back to work legislation; 96% of Canadians are asking this government to put back to work legislation in while only 4% support the strike.

We have given the collective bargaining system a chance to succeed, but seeing it is at an impasse, we now know it is time to bring the workers back to work.

Mr. Monte Solberg (Medicine Hat, Ref.): Madam Speaker, no one can ever fault the Liberal members for a shortage of gall. We have just listened to the hon. member across the way run through a list of how many dozens of charities were hurt by this strike, dozens of them. I saw in the *Globe and Mail* this morning an ad from the Sick Children's Hospital in Toronto saying that people can still make donations by faxing them and phoning in and that kind of thing, but because of the strike it could not do its typical fund-raising letter.

The hon. member across the way has pointed out that this has cost the economy billions of dollars. People have been laid off. What the hon. member forgot to mention is that this whole thing was preventable, that the government had it within its power to prevent this strike from happening in the first place.

It could have accepted the advice of the Reform party and allowed a new settlement mechanism, the mechanism of final arbitration, to prevent this type of mess. But no, it knew better. It thought it was better to let the people of Canada suffer through two weeks of a postal strike, to allow all these charities to be deprived of the ability to raise funds for all these worthy causes as we approach Christmas, and now the Liberals turn around and pat themselves on the back for having the courage after two weeks to legislate striking postal workers back to work.

This is circular arguing. It is absolutely ridiculous.

I ask the hon. member if he is going to take credit for the government legislating these people back to work, will he also take responsibility for the damage that he and his government have caused by not acting sooner?

Mr. Jerry Pickard: Madam Speaker, it is fundamentally important that the Reform party realize that there is a collective bargaining system in this country. What it intends to put forward here is that there is absolutely no collective bargaining process that is acceptable.

Quite frankly, there is a system and that system must be maintained. We must give opportunity for systems to resolve the problem. As the Minister of Labour has said over the last week in which the strike has occurred, it is ultimately our goal to make certain that the union and Canada Post had opportunity to resolve those problems by working together. That will best serve Canadians in the long run. To legislate workers back to work is not the optimum goal as these folks would like to suggest. The optimum goal is to have the workers and the company resolve the problem and come up with a proper solution that all parties agree to.

• (1230)

However, realizing that it was the ultimate goal that we could reach and it was unachievable over the short term, we have moved to bring in back to work legislation. There is a necessity when we start looking at the damage that is created by this strike to bring in back to work legislation.

Quite frankly, we introduced the back to work legislation within a week of the time the strike was going on. Forty-eight hour notice was required and it was introduced last Friday.

That is not a question when we start down the road to the system that is being suggested by the Reform Party. They are saying no collective bargaining in this country any longer, let's just close the door, jam it shut and say we will legislate anybody back to work in the civil service or anywhere else who disagrees with the process.

[Translation]

The Acting Speaker (Ms. Thibeault): The hon. member for Saint-Bruno—Saint-Hubert has 30 seconds to ask a question.

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Madam Speaker, 30 seconds is a bit short. I rise today specially in this House to indicate my support for the government's bill to put an end to the postal strike. Now in its third week, this strike is going nowhere at the moment. In light of the impasse, action is imperative, since the post office is a public service vital to our economy.

I have no questions for the moment, since time is too short, but I will continue the debate later.

[English]

Mr. Jerry Pickard: I certainly appreciate the fact that the Bloc has seen that it is important that back to work legislation should come in at this time.

I believe they have suggested along this line too that we do need to maintain the process of reasonable collective bargaining. The

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result is that this is a balanced approach. We brought the legislation in as soon as it was reasonable to do so.

Mr. Steve Mahoney (Mississauga West, Lib.): Madam Speaker, I would like to do something unusual in talking about this issue. I would like to actually talk about the bill that we are debating, to share some of the aspects of this bill and discuss why I think we are here.

Let me say right off the bat that the Reform Party did not invent what they refer to as final offer selection. They should not stand up here and try to lecture the government that they told us we should do that. Final offer selection is a process that has been around for some time. It allows for issues that are clear and definable to be put on the table by either side in a labour negotiation.

The difficulty with these negotiations is there are many issues that simply do not line up in a black and white manner. If we are simply talking about wage demands, then the labour union puts their contract offer on the table, the company puts theirs and the arbitrator selects one or the other. There is no in-between.

That is not the case when we are talking about defining postal routes, about defining methods of delivering the actual mail. Those are issues that require much more sophisticated negotiations.

I would agree, however, that final contract arbitration in matters that are clear and simple is an effective tool. It would require both parties to come to the table with their best, most reasonable offer which could often result in a settlement.

That is not the case here. In fact, Madam Speaker, ask yourself why are we here. Why are we seeing such a rise in the militancy of the labour movement? I would suggest that it is precisely because of the right wing agenda being promoted in this country by parties like the Reform Party or the Conservative Party, in particular in the province of Ontario.

An hon. member: And your left wing agendas do what?

Mr. Steve Mahoney: We are not talking left wing. That is what the hon. gentleman does not understand. In labour negotiations we need fairness, we need a balance, we need to recognize that the rights of the workers should be protected. In this case the rights of the Canadian people must also be recognized.

• (1235)

We are seeing this increase in militancy. We see labour leaders saying they are going to defy this law. We see them saying they are going to block bridges, close airports and highways. I would say to those labour leaders that what they are saying is totally irresponsible.

It does no service to the fine tradition that exists in the labour movement in this country, a tradition which has involved the building blocks that have made our economy strong. No labour leader worth his salt has ever bankrupted the company in attempting to get a better contract for the worker. It is pretty fundamental and it makes no sense.

I call on the leaders in this labour dispute to calm their rhetoric and lead the men and women of the postal service back to work so we can have peace and harmony and labour relations in postal service.

There is some suggestion that we came upon this solution quickly and without a lot of thought. It could not be further from the truth. Last July the federal government involved federal conciliation officers in an attempt to resolve items of dispute. In October the federal government appointed a conciliation commissioner. The very word conciliation should send a message that says this government is trying to head off what we are facing today, that this government wants to conciliate between the members of the postal workers' union and the employer Canada Post to see if we can keep the mail going in this country.

The solution by the right wing extremists in this place and in this country would be to simply privatize things like Canada Post and CBC. We have a very unusual country, a country that needs the public service to deliver services to all Canadians with fairness and equity. We cannot simply leave that to the private sector. I have no difficulty, and in fact support very strongly, that certain competition be allowed whether it is in delivery of mail and we are seeing that. We see E-mail becoming a more important opportunity for people. We see couriers for businesses. Fundamentally, just like we need a strong CBC, we need a strong service to deliver the mail from sea to sea to sea. We do not need the simplistic black and white solutions we hear coming from members opposite.

We have attempted to conciliate this problem. The government appointed Mr. Marc Gravel who is a respected and neutral third party. He did his best but in the end he said that he could not find common ground, a solution. Even after that when the strike began the government appointed, I hope all members in this House would agree, a very distinguished Canadian, Mr. Warren Edmondson, on November 24. The government asked him to go the table to see if he could find some common ground. He was unable to do so. As a result, we wound up in a strike position.

What is the government to do? We have tried the conciliation process. We have tried to mediate this process with respected, talented Canadians being involved. The union leadership stands up, goes in a rant and leads everybody out on strike. I have talked to postal workers in my riding and they are saying, the men and women on the line, please legislate us back to work. It is Christmas time. They are worried about their families. They make a reasonably good living. Their wages start in the \$17 an hour range and they go up from there to \$17.41. They are not interested in being on the picket line at Christmas time unable to provide for their families.

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• (1240)

It is not the rank and file we are seeing more and more in labour disputes who are leading the protest. It is the extreme comments from many of the union leaders. Yes, it is, I say to the members opposite.

I know a little of what I speak having been raised by a labour leader in this country. I was in Sudbury when the steel workers led a raid on Mine mill. At the time I was a 16 year old lad driving my dad up to Sudbury to lead the raid. I thought it was really neat. I thought we were hunting communists. That was the spin. We were going to Mine mill in Sudbury to get rid of all the commies. Do members know what we were hunting? We were hunting for more members. Do members know why? For dues. It was more money.

I can tell members right now that the union leadership in this dispute are talking about 4,000 jobs. Somebody do the math quick. At \$50 a month in union dues, is that a lot of money or is that a lot of money? Money is power and power in this country in labour negotiations wins in the minds of the militant union leaders.

I would plead with the rank and file in this case to understand that just because the charities were used as examples and the small businesses, in fact it is the very men and women who union leaders would purport to protect who they are hurting by walking out and going on strike.

The big companies do not care. The big companies who those guys pretend they want to get at do not care because they have alternatives. They can use their own internal staff or couriers. They have alternatives. It is small business, charities and everyday men and women in this country who are being hurt. It is the obligation of this government to put an end to this particular strike.

I close by saying that I hope the rank and file will understand that we want to end this fairly and with a reasonable wage increase. We think this bill does that. We look forward to getting the mail going as quickly as possible in this country.

[*Translation*]

Mr. Ghislain Fournier (Manicouagan, BQ): Mr. Speaker, I listened with interest to my hon. colleague from Mississauga West. Frankly, I did not find much comfort in his remarks.

What we are doing here is putting postal workers on trial. I have never seen greater contempt for postal workers. This government is portraying the workers and their union as the bad guys and accusing them of being the only ones responsible for the current situation. These people apparently have no sense of responsibility and they are not negotiating in good faith, unlike the government. The government is the good guy, while the workers have no sense of responsibility.

Why then did the government pretend to give them the right to strike? At the time this right was granted, it was argued that this was a sacred right because, as citizens of this country, workers had every right to fight for better working conditions, to fight for their families.

Today, they supposedly have the right to strike. Why bother giving them this right only to take it away? If you think they should not have the right to strike, you should take it away altogether. Do you have the will and the courage to do that? You are taking this right away from them. That is unacceptable.

You are putting postal workers on trial without giving them a chance to defend themselves. You are here blaming them for everything. What a fine scenario. As my colleague, the House leader for the Bloc Québécois, indicated this morning, if we were to identify one single culprit, it would have to be the minister responsible for the Canada Post Corporation. And I agree with him.

Everything was arranged ahead of time by this government, including the Prime Minister. Now the government is trying to sound and look good. It says: "Look, the workers are the bad guys. We are introducing legislation to make them go back to work. We are good enough to send them back to work. We are restoring peace with the workers."

• (1245)

Why did you give them the right to strike after numerous discussions if, as soon as they want to use it, you take it away from them?

[*English*]

Mr. Steve Mahoney: Mr. Speaker, I am encouraged that I did not give encouragement to a member of the Bloc. One of the reasons I may not have given him or members of the NDP such encouragement was that they were obviously not listening.

I was not castigating post office workers. I was talking about the leadership of the union, the people who are challenging and saying that they will close airports, bridges and roads. What kind of a democracy do they think we live in?

The government is elected and has every right and every responsibility to deal with the issue. There is a lot more in terms of rights and being involved in a union than simply the right to strike. There is the right to organize. There are rules and regulations within federal and provincial labour boards. They have a right to be part of a union to better the working conditions for the men and women they work alongside. They do not have a right to break the law. Nobody has that right.

I also fully believe in my heart that the rank and file do not want this strike. The rank and file want to go back to work and get their paycheques so they can have a decent Christmas and build a good

life for their families. We support the rank and file. We do not support the militancy of the leadership of that union.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, all day long no doubt we will see Liberal members trying to be the good guys and trying to take credit for ending the strike.

The reality is that the responsibility for the strike, this whole mess, falls squarely on the shoulders of the government. For seven months it has known that Canada Post and the union were at a stalemate, that their heels were dug in and no one was moving. The arbitrators or conciliators that were sent in told the government the same thing. Did the government do anything? No. It said it would wait and see, which resulted in this strike.

With all this fooling around to get us to a strike and the money it has cost Canadian families and businesses, what does the member say to those who have suffered so much and lost so much money? Would he tell them that the wait and see attitude was a good idea?

Mr. Steve Mahoney: Mr. Speaker, I say exactly what I said in my speech. We attempted to conciliate and we attempted to mediate.

One thing the Reform Party misses is that the minute you go to a mediator you lose control of labour negotiations. Let us take a look at the facts. The results of mediation generally drive up costs in labour disputes. If that is the solution the Reform Party wants, it will mean driving up the costs of Canada Post.

We would rather see a negotiated settlement. Since we were unable to negotiate it we must take responsibility and get the mail moving in Canada.

Mr. Randy White (Langley—Abbotsford, Ref.): Mr. Speaker, I am happy to speak in support of the back to work legislation before the House today.

I have been across the table from unions some 15 years or 16 years negotiating labour agreements. I have been involved in arbitrations. I have been through strikes, walkouts and lockouts. I hope to correct some of the inaccuracies members of the Liberal Party are creating in the House.

• (1250)

It is necessary to say that what we have today is no different from what we have seen for some years now. It is called a lack of leadership, a lack of positioning on issues. Whether it is at a negotiating table or whether it is in the House of Commons it is plainly a lack of strategic planning.

In the discussions on Kyoto, global warming, our leader came into the House and articulated a plan, a position. The Minister of the Environment was awestruck, quite frankly. She did not even

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understand what he was talking about. That is a lack of leadership from the Liberal government.

We look at the postal strike today. We look at the Canada pension plan where the government does not have a clue what it is doing. Royal commissions, which were poorly implemented, were disregarded to some extent once recommendations were made. What we have is lack of leadership.

Recently a member talked about all the good things the government was doing because now somebody is suffering was quite appalling. I will agree, for the first time in my life, with one of the members from the separatist group that the postal workers should not be on trial. It should be the government.

The strike started on November 18. Now it is December 2, some 13 days later, and it is still going on. It will continue for a day or so. It will take that time to get through the Senate and implemented.

How can the government stand in the House today and says it is essential to get back to work all of a sudden? It has only been seven months.

I hear that charities are losing money. As my colleague from Prince George—Bulkley Valley says, we have been in the House for weeks telling government members that. All of a sudden the light comes on in a dim room and they see they need labour legislation.

Every day in the House for weeks we have been talking about dozens of charities that will have problems. We have been talking about newspapers, periodicals and magazines that rely on the mail. We have been talking about jobs that will be lost at this time of year in particular. We have talked about human cost. We have talked about the fact that this is the fourth strike in 10 years and that they had to be legislated back to work. This is not a surprise. Yet there is a substantive lack of a strategic plan in the organization. The government is responsible for today's postal service.

An hon. member: The Tories were no better either.

Some hon. members: Oh, oh.

Mr. Randy White: Many of us talk about whether or not the strike was preventable. Somebody just faulted the Tories for an earlier strike. We all know about it. Now they are all excited. I will wait until they settle down.

For seven months they have been at the table. What happened? At the end of seven months they have the gall to say it is about time for back to work legislation. My experience at the negotiating table tells me that if they are at that point at seven months the light should not come on now. It should come on well before that, long before that. They know what the issues at the table are. It does not take seven months to know the issues.

It was interesting to hear a member opposite talk about final offer arbitration. He essentially said that we could not do that with

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the postal service because the issues were so different. He really does not know much about negotiating labour agreements. For every position the union has, management must have a position on it. There are two positions on every issue at all times in negotiations. A position can be null but it has to go to the arbitrator in final offer arbitration.

• (1255)

To say that we could not use final offer arbitration because the issues are complex, or to say we cannot use it because they have an issue and we do not, is quite typically stupid Liberal talk. The Liberals do not know what they are talking about.

We have to figure out where to go from here. After 10 years and four strikes it is high time to get into something a lot more productive, and that is final offer arbitration. Our amendments to the legislation will describe that process. From what I have heard today I do not expect the Liberals to understand much about it. We outlined it in writing. Perhaps they can read it before the amendments come before the House. Perhaps the light might come on.

The current system of bargaining is not working particularly for a monopoly that exists in the country that people depend on.

Representatives of an organization in British Columbia that produces a magazine told me they were in desperate straits. They utilize the services of Canada Post almost exclusively. They asked why the Liberals said about a day before the strike started that they would make sure the cheques get out for UI and for seniors. Not once did they mention that they would look after small business. I doubt very much if it were even a consideration.

That is why small business has a real problem with Liberal government. It almost seems as if small business is there to pay taxes and not to service. It is the engine of our country. It is being held up by one group at a time in our year, the Christmas season, that is virtually impossible for many of them.

This is not only an issue for British Columbia. I was on a radio show in Prince Edward Island the day before yesterday. The calls made to that show were the same, that small businesses which are dependent on postal services were being ignored. One has to wonder where the government stands on issues related to private industry or small business.

I know you are busy up there, Mr. Speaker, but I would like to know how much time I have.

An hon. member: Ten minutes, Randy.

Mr. Randy White: It is nice to know that the Speaker is on the ball here.

Let us talk about the costs of this strike. According to the Canadian Federation of Independent Business the postal strike has cost Canadian small and medium size businesses \$200 million a

day or a total of \$2.4 billion as of December 1. I would say that is a very conservative figure.

I cannot help but get frustrated when I hear a Liberal member across the way say that small and medium businesses are losing money and it is time to legislate. We told the government time and time again prior to the strike that it was going to happen. Now the Liberals sanctimoniously stand in the House to acknowledge it. They are not only acknowledging it, they seem to be taking the credit for it, which is equally and typically Liberal.

• (1300)

During the seven days leading up to the threatened strike, Canada Post's mail volume dropped by 50%. Canada Post has been losing \$17 million a day since the beginning of the strike. How ironic it is that the organization which needs the money is losing the money. The employees are saying "They have money and we want money". The fact is that strikes very seldom, if ever, help anybody.

The employees may say it is the only option left to them but in this case it is not and it was not. In this case the negotiators on both sides had seven long months warning. As I stated before, I never entered a negotiation when I did not know halfway through where it was headed unless I could change the direction of it. I know for a fact that the people involved in those negotiations knew where they were going. The fear of the public was out there, yet the government let it happen. That is poor leadership.

We see in a survey that 82% of small and medium size businesses agree that Canada Post should be declared an essential service. Is it any wonder why the general public has come to that conclusion. Do the employees really want it that way? Is that what the Liberals want? Is that what Canada Post management wants? Because that is what the general public is beginning to say. They have no confidence that this kind of negotiation process will ever cease, will ever improve, will ever be looked at for the benefit of Canadian citizens.

What does the government do about it? Does it say, "There is a concern out there, Canadians have a concern"? No, it lets everything happen as it has done before and then it says, "We have to stop this. It has been 13 days and everyone is hurting. Now we should introduce legislation". That is poor leadership.

Over 1,000 Canadians were laid off prior to the strike even starting. It is estimated that as many as 10,000 Canadians have been laid off because of the postal strike. Where did that ever once fit into the strategy on the other side of this House? When did it ever once come up in any discussion other than what I heard this morning from a member saying, "We have a problem. There are people who are getting laid off because of this". My colleagues in the Reform Party have stood day after day saying that we have a bad enough problem in this country with unemployment and now

the government is directly creating more unemployment with its inaction.

What about charities? I have talked to a few. Yes, they are hurting. This could not have happened at a worse time. But then of course the parties involved in the negotiations knew about that. Both parties in the negotiations picked the time so very well as to when to strike. The parties that want to strike pick the optimal time. They pick the time when the heat is on the government the most to see if it can resolve the differences.

The parties picked the Christmas season to put the heat on the government. But what about the charities? Has anybody ever thought about that in this House, other than the Reform Party day after day saying you are going to hurt charities? No. The Liberals come in here today and say, "Guess what, we have some legislation because we think charities are being hurt by this process". It turns out that charities raise 80% of their funds for the year during the holiday season.

• (1305)

What are we going to say to the charities? Gee whiz, we had seven months. We kind of forgot to think about the charities and we knew Christmas was coming. We heard rumours from the union. The postal worker negotiators knew all along what was happening. And the Liberal government in the twelfth hour says it is going to save it all. Well it has not saved it all. It has damaged charities by lack of action, by lack of leadership.

I hear from one of the ill-informed individuals on the other side that that is rubbish. I can tell those uninformed members on the other side that it absolutely is not rubbish. If they would like some information from some of the charities in this country which have been damaged, we will be happy to oblige. We should not even have to come into this place and talk about this. They should know that. That is what is wrong with bad leadership. They do not know it.

As I said, I guess it is just another disappointing day for the rest of us. Those folks on the other side are going to go out of here today and say, "Look at the victory we got. We got an agreement here to legislate these folks back to work. Boy are we heroes in this country". They are not. They are a major disappointment to the majority of legislators in this House, and I suspect many back-benchers on the Liberal side although I do not know. They are a big disappointment to charities. They are a big disappointment to all those people who count on Canada Post.

I did a radio show yesterday on CKNW in Vancouver. I heard comments that the labour unions will defy the legislation, block public access to our bridges, to our airports and our roads. I do not take any happiness in attacking either union or management in

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times like this because it does not help either party, but we have to remember that Canada Post is after all a government organization. We have to remember that the bridges, the airports and the roads in this country belong to no one except the people who paid for them.

To take that kind of position is somewhat irresponsible. I hope that those who want to do that will think twice about responsibilities, will think twice about the need to have respect, will think twice about trying to get people back to enjoying what was once a proud service in this country and to try to get some form of goodwill back in Canada Post.

Finally, this is yet another boondoggle of the Liberal government. It is yet another show of lack of leadership, yet another show of indecision and yet another show of lack of strategic planning.

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I listened with some interest to the member opposite and as usual his Reform rhetoric and his holier than thou position.

I noted that the Reform Party, the great party of less government that always espouses such, has been screaming for government intervention for some time now in this matter. Apparently it would be that the Reform Party thinkers believe that less government is always a preferred policy approach except when Canadian workers are exercising their legal rights. At that point it would appear, according to the hon. member and his party, state intervention becomes more acceptable.

• (1310)

My question to the member is, why the double standard? Why does he say one thing for one circumstance and quite the contrary for another? I would like to hear the answer.

Mr. Randy White: Mr. Speaker, I thought I made it clear. It perhaps sounded like rhetoric but I may be one of a few in this House who understand the intricacies that go on at a negotiating table. The fact is that I do believe the members opposite are quite ill-informed of the process.

The answer is that there are no double standards here. All of this could have been prevented. Now we are at a stage where this government sees fit to think that the answer is to react 13 days after the situation happened. A responsible organization would have reacted three months ago, not today. There is no double standard. There is just weakness on the other side in knowing how to manage a country.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, as I listened to the Reform Party member, I once again got the impression that Reformers advocate the wrong approach.

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I agree with the hon. member when he says that the issue should have been solved a long time ago, but the Reform Party did not suggest anything back then. The problem is that unionized employees were granted a right to strike and they are certainly entitled to avail themselves of this right. Perhaps it is the hypocrisy of the legislation that explains why the workers got taken. They exercised a right that was legitimately granted to them, and then they were told they should not have done so.

Such is the government's hypocritical way of doing things. It gives a right, and then removes it through special legislation. Reformers are no different. They saw it coming. They knew that postal workers might avail themselves of their right to strike. Today, they support the government's bill, but they do not have a long term vision to settle the conflict.

The bill before us is a band-aid solution. The Reform Party is supporting that band-aid solution. Why not have the political courage to tell postal workers "Postal services are essential services. There will no longer be any strikes in those essential services"? Instead of resorting to legislation to settle labour disputes, we could then solve the whole issue.

As is their custom, Reformers came from nowhere, got involved in the issue and are now bragging that they saw the light before everyone else. In fact, they have a short term vision and they never propose anything to help find a permanent solution to the Canada Post issue.

My question to the hon. member is: what does he have to suggest? What constructive measure would he suggest, so that in three or four years, when the collective agreement that we are imposing today through legislation expires, we do not have to relive the same situation? This is my question to the member from the Reform Party.

[English]

Mr. Randy White: Mr. Speaker, where has this guy been? I thought this morning we articulated our position rather well. However it was not just this morning. I just got through saying that for several months now we have been trying to get this government to listen to issues such as final offer arbitration. We have been trying to tell the government, even in the last session of Parliament, how to avoid these kinds of things.

We have also tried to convince the government that this whole issue could have been stopped earlier in the process if the right tactics had been used, if the right advice had been given and so on and so forth. I am not sure where this member comes from, to tell you the truth.

• (1315)

It is essential for the government to get a clear message here. Regardless of what kind of spin it puts on this, it is essential that

the government walk away from this exercise in 1997 and say: "We have to develop a better plan, a better process, because this one does not work".

We will never recover all of the moneys lost in this country by small business and charities. That is gone. It seems of no consequence over here. That is the real galling part of all of this.

To answer the member's question, get up earlier in the morning, come to the House, listen to the members and you will learn a whole bunch more.

Mr. Sarkis Assadourian (Brampton Centre, Lib.): Mr. Speaker, my question is for the Reform spokesperson who spoke a few minutes ago.

Would he indicate to this House if he knows of any western society, specifically G-7 countries, denying their workers the right to collective bargaining? If he knows, I would like to have the hon. member name those countries.

Mr. Randy White: Mr. Speaker, the relevance of the question, I am not sure whether there are countries that deny collective bargaining, but that is not the case in our situation.

The fact of the matter is there has been collective bargaining. The fact of the matter is it did not work. The fact of the matter is it was preventable. The fact of the matter is the Liberal government did nothing. The fact of the matter is this Liberal government cannot see one day past today in the House of Commons. The fact of the matter is this Liberal government is more concerned about its media image than charities and small business in this country.

[Translation]

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, as the Reform member said, the postal strike does not just affect businesses and charities. It also affects the public.

My own little survey of residents in my riding was particularly revealing. Everyone I met, without exception, said they were unhappy with the strike dragging on.

I will vote in favour of this bill. Sovereignists are not all left wing, socialist and pro-labour. Our numbers include people like myself who think that there is still room for the diversity that characterized the Bloc Quebecois when it first started out.

I have a question for the member. Did he find the same concerns in his riding that I found in mine, setting aside businesses and charities, as I mentioned at the beginning? I am speaking about the public in general.

[English]

Mr. Randy White: Mr. Speaker, yes. In fact in my riding there were a large number of concerns, not just business and charities but the general population. In my riding, I have not checked lately, but I quite suspect there are a large number of people yet that are

without their pension cheques, and so on and so forth. At the very minimum, there have been delays.

It is a concern right across the country, but why is it we are here on a day like today, December 2, debating back to work legislation? The point still has not sunk in with those that are a lot more dense than the chair you are sitting in that this is entirely preventable. What I heard from several members is how great the government is because it brought in back to work legislation. The problem is it is more concerned about the media than it is the people who have been hurt. It is disgusting.

• (1320)

Ms. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, I will be sharing my time this morning with the hon. member for Abitibi.

Mr. Speaker, thank you for giving me the opportunity to speak on Bill C-24. I regret that this government has been forced to legislate an end to this postal strike which started two weeks ago, but it is time. The circumstances are right. It is appropriate and I ask all members of the House to join today to support this legislation.

Last weekend when I went back to my riding, I was stopped time and time again by individuals, small business owners and volunteers at the local church, who said to me "Please, it is time now, it is time. We believe in the collective bargaining process but it is time. We need your help".

In Canada we are fortunate to have an excellent system of labour management relations. A majority of disputes are resolved without a strike or lockout. The system does work. The government has repeatedly said that it would allow the collective bargaining process to run its course. Despite the appointment of a mediator and every effort to support a negotiated settlement, a settlement could not be reached.

For whatever reason, the parties have been either unable or unwilling to make difficult decisions needed to resolve the dispute. The Minister of Labour has been advised by one of the country's top mediators that the parties have become deadlocked and that it is unlikely that an agreement can be reached. We cannot ignore this advice from the mediator. With the advice from the mediator and under the minister's leadership, the government has been left with no other choice but to introduce legislation and resolve this matter.

I believe that both parties have tried to negotiate a settlement to the best of their abilities. We can no longer wait. Yes, small business has been affected. Unfortunately, small business relies very much on the mail, but small businesses continue to pay their employees. At times cash flow is very tight for the small business. As we know, small business is the engine of our economy, it runs our economy. We must now extend our hand to help it.

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I want to speak with respect to the concern of the hon. member from the opposition about charities and his allegation that we as the government have not cared about charities. It is because the government is concerned about the well-being of the nation's charities that we are asking the House to join and pass this legislation and resume the postal service. We have been monitoring on a daily, weekly and monthly basis the amount of hardship that has been faced by the charitable sector. This postal situation has hurt charities in four ways. I am going to share those concerns of the charities with the member.

Charities are reluctant to mail and consumers are reluctant to respond. Charities may now have to lay off operational staff due to declining work. The most important giving season, the Christmas season, is now in jeopardy. The shortfall in revenues will have direct impact on charities' abilities to provide programs and services. We are aware. We are aware of what their needs are. Therefore being aware, it is time for us to legislate.

Again with respect to charities, the impact of the initial build-up and uncertainty about the postal situation has hurt a number of organizations. Some funds, diminished though they were, flowed into charities during the lead-up to the current situation. Cash flow for a number of organizations which are heavily dependent on direct mail revenues have now completely stopped. To put this in perspective, I know of several organizations that receive 90% or more of their fund raising revenues through the mail. The current postal disruption means that there is no need for gift processors or volunteers. Some organizations are now faced with laying off their processing staff.

• (1325)

Given that the Christmas season is now upon us, the anticipated revenues that are so vital to so many organizations are now in jeopardy. Fund-raising goals based on the needs of organizations are likewise in jeopardy.

I know of an organization in my riding that after a successful year prior to this strike is now looking at a 15% shortfall in revenues. There is no fat to trim in this organization. This shortfall will mean that it cannot sustain the same charitable activities in which it has been engaged.

Over the last 10 days articles have been appearing in a Toronto newspaper regarding the important and vital role played by our charities. I urge members again, in light of what the charities do for Canada and the people of Canada, it is now time to legislate back to work.

While most of us may not recognize it, charities also face a new threat once the postal strike comes to an end. These charities will be competing with each other with an intensity few have experienced within a compressed timeframe. Every organization that has delayed its mailing and every organization that has already

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postponed its mailing is going to be out there asking Canadians to help support them.

The charities are losing \$10 million a day. It is important now that we put postal workers back to work.

I would like to say to the hon. member from the opposition that instead of bemoaning the fact that the government has done nothing and does not care about charities, I would urge him to not only vote for the legislation but to stand in the House the following day and speak to all Canadians. Tell them just how important those charities are. Ask them to look for their mail and to give more than they have given before and be responsible in that way. I will be doing that.

I regret that we have had to do this. I believe in the collective bargaining system. However, my constituents want the postal workers returned to work. I care and the government cares about those individuals and the charities. I would ask all members of the House to please vote for the legislation.

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Speaker, my inclination is to say what I believe, except that I believe the hon. member was very sincere in what she said. She said it was time to legislate.

It is long past time to legislate. We have been calling for this since the summer. Finally, the Liberal government has started to listen to us, the Canadian people, businesses, charities and individuals who have been harmed by this strike. Why has it taken it two weeks to do this?

The hon. member who just spoke said quite eloquently that businesses are losing money, they are laying off people. That is true and it has been true for the last two weeks of this strike. Charities are losing money, 80% of their revenues. That is also true, and it has been true for the last two weeks. We told the Liberal government. Why did it not listen to us?

The member talked about the collective bargaining system. It has three parts; negotiate, conciliate and mediate. It has always been there. We can put a settlement mechanism in place for when those things break down as they have done not only this time, but four times in the last 10 years.

I do believe the hon. member was sincere although misguided because she is so late in making her declarations. This is the fourth strike in 10 years, the third time in 10 years that is has resulted in legislation. The previous government recognized the need to legislate. This government, belatedly, is recognizing the need for legislation. How many more times in the future are we going to let the businesses, the charities and the people she lamented about suffer before we bring in a permanent solution to this ongoing problem?

• (1330)

Ms. Sarmite Bulte: Mr. Speaker, I can only say to the hon. member the same thing that he has heard time and time again from the members on this side of the floor. The Liberal government believes in the collective bargaining process.

We have negotiated. We have mediated, but we also believe in the right to strike, the right to settlement. We have tried and again it is our Liberal government that believes in the importance of negotiating.

Two weeks after that strike, after opportunities for people to negotiate and the minister's bringing in Canada's top mediator to solve this problem, we have negotiated solutions working in partnership. Those are the solutions.

When those partnerships fail and they cannot be brought together, then it is our duty to bring in legislation. With all due respect, we are doing just that. I would ask that member to join me in voting for this legislation this evening.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, honestly I think my colleague should have become a movie star. She almost got me crying this morning.

Could my colleague tell this House and could she tell the postal workers by legislating the workers back to work why this government put a wage decrease on what was proposed in the negotiations? If it is so serious about it, if it is so honest about it, why did it get involved? Why did it not let the arbitrator make the decision?

Furthermore, what is the government's concern regarding the 4,000 people who will lose their jobs? I would like to hear my colleague, and not as a movie star.

Ms. Sarmite Bulte: Mr. Speaker, these negotiations have not been about one issue. These negotiations are about a number of issues which we all agree are best to be left to the two parties at the table to resolve.

One issue cannot be looked at, such as why this, why not that. I think that is something the mediator probably asked. I was not the mediator and it is what the two parties have tried to do.

With respect to the member's second question about 4,000 employees being laid off, no one knows how many people are going to be laid off. Where do we get these figures? We look to see what has happened in the last two weeks. We see the people who have been laid off, the part time people, the people who need work now, especially at Christmas so that they can buy their families the things they need.

What about those people? How can we quantify? What I am asking everyone to do today is to bring us together and to make sure that we try to make this thing much better. Vote for the legislation today.

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[Translation]

Mr. Guy St-Julien (Abitibi, Lib.): Mr. Speaker, Sunday night, I prepared a 20-minute speech, but I will not use more than the five minutes allowed.

It is true that the government had appointed a special mediator and that after one week, the parties were at an impasse.

In Abitibi—Témiscamingue, mail delivery is an essential public service without which the economy cannot function properly. The time had come to make a decision. The letter carriers went on strike on November 19 after the breakdown of negotiations on wages, job security and changes to letter carriers' routes.

Since Monday, the best mediator in Canada, Mr. Edmondson, has attempted to find some common ground between the Canada Post Corporation and its unionized workers. According to the mediator, there was not enough flexibility on either side to arrive at an agreement. Since there was no such agreement, the strike is getting harder on ordinary citizens and especially on businesses which depend on mail delivery and on those workers whose jobs are directly linked to the proper functioning of this service.

• (1335)

This strike is also hurting community associations considerably. Despite the many alternative solutions that have been developed over the years, only the public postal network can deliver mail in every part of Canada at a reasonable cost. Even in Abitibi, in the northern part of my riding, the mail is delivered with efficiency.

We know that it is not easy at this time to introduce special legislation in Parliament, but during the strike and before it started, the government was determined to let the parties arrive at a negotiated settlement. I have always considered that a collective agreement would be the best solution for postal employees, for Canada Post customers and for all Canadians. The federal government gave Canada Post and the union ample opportunity to arrive at an agreement, but things always ended in deadlock. Now we have before us a special law.

During the strike, there is one thing that I greatly appreciated on the part of the Government of Canada, and that is that it did not use strikebreakers. Strikebreakers were used last time and it was rather difficult in all sectors in Quebec. We all know that the province of Quebec has special legislation prohibiting the use of strikebreakers, and labour relations are no worse off because of it.

Last Friday, I was on the picket line in my riding in Val-d'Or and Amos. I met unionized workers. When questioned, they all say they support the national union. It is the national union that runs things, even if we look at the collective agreement, which I have in my possession. I will put it on my desk because, as my adversaries will tell me, I am not allowed to have props. The agreement is 541

pages long. Find me a union in Abitibi that has an agreement 541 pages long. There may be only two in Canada: at the CBC and at Canada Post.

We all know that Canada Post employees work very hard. We are trying to come up with an agreement, a solution for the well-being of our employees. One thing the strikers did very well was deliver the provincial, municipal and federal pension cheques. However, things are at an impasse at the moment. Many families have yet to receive their cheques. There are delivery delays at the distribution centres. But, we are trying our level best to reach an agreement to put an end to it. The only way to do so is to introduce this bill, because businesses in Abitibi—Témiscamingue have been badly hurt by the strike.

The Canada Post Corporation wants to redesign the daily route of each letter carrier in order to deliver more mail with fewer employees. When I travelled around the big riding of Abitibi, a number of people said that this aim was legitimate. We know that the major issue at the moment is redefining the issue of mail and letter carriers' routes.

From the union, the reaction was very different. It is calling for more permanent positions to give job security to the greatest number of union members. With new technologies like the Internet and e-mail, we know what large banks are doing in Canada and Quebec. We know what cities, telephone companies and businesses are doing. Even hospitals have experienced, on the union side, lots of cuts. Unionized workers do have a right to put pressure on to improve their situation, but we have reached a point where solutions need to be sought and the only solution is to enact special back-to-work legislation.

I am asking only one thing. We know that we have good postal workers in Abitibi. They meet many seniors on their run. I hope that, after this bill is passed and work has resumed, there will be good relations, especially with the good collective agreement they already have. Improvements are required in certain areas. I realize there is possibility jobs may be cut here and there across Canada, but I hope there will be no cuts in my riding because we need these people to deliver our mail.

The public wants to know what is what. In 1996, a commission was set up. In his report, Commissioner Radwanski said savings of between \$100 million and \$200 million a year could be made just by reviewing the 541-page collective agreement, without imposing privatization or disproportionate pay cuts on the workers.

• (1340)

The main issue is not excessively high rates of pay. Payment for time not worked remains a major cost to the corporation. For example, letter carriers get paid at a higher rate for hours worked in excess of their normal week, such as in December, but are paid

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for 40 hours in the summer, even if their days are shorter. The public may not be aware of these considerations.

Canada Post pays its letter carriers for transportation and time required to have lunch at their home base. I could mention several other examples, such as the replacement of an employee who is not at work. In order to become efficient, the Canada Post Corporation wants to be able to change the itinerary of its letter carriers and find internal solutions. The flexibility required by Canada Post means there will be fewer jobs and perhaps fewer contributions paid to the union. The union estimates that 4,000 of its current 45,000 members will lose their job.

We understand why the union is fighting hard to oppose the demands made by Canada Post. As a former union president, I am aware of what is at stake. I hope that, when they go back to work, these employees will maintain good relations with the public and with Canada Post.

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, I also think this special legislation is necessary, since it is patently clear that the two sides cannot and will not reach an agreement.

Many postal workers themselves are fed up with this drawn out dispute. Many of them welcome this legislation because, let us be honest, postal workers too are affected financially by this strike. They will also tell you that the union is asking for too much in the present economic context

In this regard, a recent article in *Les Affaires* stated that the issue in the postal dispute is the flexibility Canada Post must have to become competitive and not pass on unwarranted costs to its clients.

This article also quotes Gordon Ritchie, former deputy chief negotiator for NAFTA, as saying that the collective agreement of Canada Post employees is probably the least competitive and most ineffective, bar none, of its kind in North America.

Does the member for Abitibi agree with this statement by the former deputy chief negotiator for NAFTA?

Mr. Guy St-Julien: Mr. Speaker, as it just happens, I have in my hands the article written by Jean-Paul Gagné that appeared in *Les Affaires* on Saturday, November 29. The headline reads "Ottawa must put an end to the fun and games".

The Bloc Québécois member has omitted to quote from the paragraph in which Gordon Ritchie is quoted as saying that the main problem is not that the rates of pay are too high, that what is really driving costs up is the pay for time not worked.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I would like to ask a question of my colleague.

During his speech, he appeared to be saying that Canada Post intends to do away with 4,000 jobs. Just now, our other hon. colleague appeared not to know where I got that figure from. Well, I got it from their side. They apparently do not consult each other. My colleague confirms it, he is aware of that.

The other colleague could not answer my question, but this one looks a bit more sincere, having been a union president.

Why is it that the government has not only presented a bill to send the parties to conciliation, but has also hamstrung the mediator and lowered employees' rates of pay to less than what had been negotiated?

• (1345)

Mr. Guy St-Julien (Abitibi, Lib.): Mr. Speaker, as I was saying just now in my speech, which lasted perhaps five minutes, the union feels that it would lose 4,000 of 45,000 jobs existing as of now. We know that there will be a mediator-arbitrator, but we know as well that, in the bill as introduced, no employee will lose his or her job today, even after the return to work.

As far as rates of pay are concerned, the bill speaks of their being spread out over three years: 1.5%, 1.75% and then 1.9%. At the negotiating table, we do not know whether it was 8% or 9%. We do know that they were asking for 11%, while at the moment they have over 3% for the cost of living.

We still wish to improve the employees' pay, but with the mediator-arbitrator who is to be appointed in order to find a solution satisfactory to both parties, one never knows. At this point, it is possible after the year 2000, but for the next 3 years it is firm. People can always catch up after the three years, though.

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, I will share my time with other Bloc colleagues.

Yesterday, we finally witnessed a long awaited moment. The minister responsible for the Canada Post Corporation introduced Bill C-24, an act to provide for the resumption and continuation of postal services. I say "awaited" because the way things were evolving, all those who sit in this House could see it coming.

The legislation before us forces some 45,000 Canada Post employees to go back to work, while also depriving them of fundamental rights, such as the right to negotiate working conditions that will give them satisfaction in their job while also being beneficial to their employer.

To put it simply, the dice were loaded. The Canada Post Corporation knew that it could count on special legislation from the minister responsible.

Remember the memo by the Canadian Direct Marketing Association made public by CUPW on August 7. According to the memo,

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Canada Post had received assurances from the minister responsible that, should a strike occur, the government would pass back to work legislation.

Bloc Quebecois members believe that, in this context, the deadlock in the negotiations is the result of the bad faith displayed by the Canada Post Corporation. This is why we say from the outset that we disagree with Bill C-24.

It is not so much the labour minister, but the minister responsible for the Canada Post Corporation who is to be blamed in this whole episode.

Quebeckers and Canadians must know that the minister responsible for Canada Post undermined the negotiations. For example, he said, on November 18, when both sides had undertaken exploratory talks, that the union was uncompromising, that it would be to blame should privatization occur, and that the government had the right to resort to special legislation. Enough is enough.

A brief look at what is at stake shows that, generally speaking, the union is asking for greater job security. This means converting overtime into permanent jobs. In this regard, it is interesting to note that the union agreed to reduce by half, from 3,000 to 1,500, the number of permanent jobs it wants to see created. The other union demands are: extending door to door postal services, a cost of living increase, plus a pay raise and a work contract for a period of 18 months to 2 years.

• (1350)

Canada Post, for its part, wants to cut salary costs by some \$200 million, which amounts to cutting 4,000 jobs. It is offering to create 500 permanent positions rather than the 1,500 sought by the union. The government is missing a golden opportunity to create jobs, not vulnerable jobs, but permanent jobs and to spread the wealth among people who want to work. We must not forget that Canada Post is not running a deficit.

What is more, Canada Post is offering a salary increase over three years, with 1.5% the first year, 1.75% the second and 2% the third, plus the cost of living index. With its bill, the government is imposing salaries that are lower than those in the latest management offer of November 17, which proposed the same increases but six months earlier.

We were never given any indication that the employer was making concessions on its demand that it recover \$200 million from salary costs. Bolstered by various interventions by the minister responsible for Canada Post, the corporation's management held the line while it awaited the special legislation introduced by the Liberal government.

Bill C-24 is therefore the result of abortive negotiations, in which the bargaining process did not follow its usual course. Had it

done so, it would have been cemented by an agreement negotiated solely by the parties, as the Bloc Quebecois has called for since the outset.

The Bloc has always upheld the principle of free negotiations and it continues to do so. My colleagues and I are, however, aware that as things stand now the two parties are at an impasse. The situation is not surprising given that Canada Post is a subsidiary of the Liberal Party of Canada, the place where senators are appointed when there is no place for them in the Senate.

This is why the Bloc will be proposing a series of amendments when the House sits in committee of the whole. These amendments aim primarily at hastening the end of the dispute so as to improve labour-management relations, which were sorely tested, and to resume postal services to Quebeckers, who are waiting impatiently for them.

The clauses the Bloc has difficulty with are clauses 9, 12, 8, 10, 15 and 17.

Clause 9 sets out the principles guiding the mediator-arbitrator in reaching his decision. Specifically, it says that the mediator-arbitrator shall be guided by the need for terms and conditions of employment that are consistent with those in comparable industries in the private and public sectors and that will provide the necessary degree of flexibility to ensure the short- and long-term economic viability and competitiveness of the corporation. The Bloc Quebecois condemns these guidelines binding the mediator-arbitrator, because they represent an amendment to the Canada Post Corporation Act, which refers to a self-sustaining financial basis rather than competitiveness.

With clause 9, the Minister of Labour is clearly indicating that Canada Post must be run like a private business. This is at considerable odds with the public service character provided for under its own legislation, the Canada Post Corporation Act. The Bloc Quebecois therefore asked the government to give serious consideration to an amendment whereby the mediator-arbitrator must instead be guided by considerations consistent with a self-sustaining public service, as set out in Canada Post's incorporating statute. We already have the government's assurance that this amendment will be approved and that it will have a mitigating effect in the context of arbitration.

Clause 12 sets workers' rates of pay for the new agreement.

• (1355)

The Bloc Quebecois feels that the government could have left the salary issue in abeyance so as to give the union an opportunity to present its arguments to the mediator-arbitrator. This is why we are asking the government to amend clause 12 and give unions at least the rates of pay contained in the employer's last offer.

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Clauses 8 and 10 make provision for the government to appoint the mediator-arbitrator. The Bloc rejects these clauses, being of the opinion that it is up to the government to see that unions are consulted. This, in our view, is a prerequisite to any real mediation that would be acceptable to everyone, because it would be someone above all suspicion, someone respected by all the parties.

Clause 15 also poses a problem. It states that the government will pass on the mediation bill to both parties. This strikes us as seriously wrong, given that the government played a primary role in the dispute now dragging on. The Bloc Quebecois feels that the government must pay the cost of the mediation it is imposing, and that is why we are asking that clause 15 be deleted.

Clause 17 sets the fines for those who contravene the legislation. A rapid calculation shows that it could cost the union up to \$50 million a day to break the law. It is understandable—

The Speaker: That was very interesting. Unfortunately, we have run out of time. My colleagues, instead of proceeding to questions and comments, since we have only a few minutes left, I would like to table a report by the auditor general.

* * *

[English]

AUDITOR GENERAL'S REPORT, 1997

The Speaker: I have the honour to lay upon the table the report of the Auditor General of Canada for the year 1997.

[Translation]

Pursuant to Standing Order 108(3)(d), this report is deemed to have been permanently referred to the Standing Committee on Public Accounts.

STATEMENTS BY MEMBERS

[English]

THE ENVIRONMENT

Mr. Joe Jordan (Leeds—Grenville, Lib.): Mr. Speaker, this past Friday I was honoured to host an environmental round table in my riding at the G. Howard Ferguson forest station in Kemptville. We brought together over 40 individuals, spanning 4 generations from at least 20 different grassroots groups, as well as representatives from a number of resource based industries.

The detailed and candid discussion did not concern the why of climate change but enthusiastically addressed the issue of how. This cross-section of Canadians clearly expect Canada to lead the world in the shift toward sustainable development.

This was an extremely positive event for me and my constituents and I would encourage other members of Parliament to undertake similar initiatives.

* * *

DEPARTMENT OF FISHERIES AND OCEANS

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, the farmland in the Fraser Valley has remained arable land because of the hundreds of kilometres of drainage ditches that criss-cross the area. For generations now, provincial and municipal authorities have routinely cleaned these waterways of silt and debris so that flooding is reduced and disruptions to streams and habitat is kept to a minimum.

But now the Department of Fisheries and Oceans seems intent on wreaking chaos on our region. DFO is now describing routine ditch maintenance as harmful alteration of fish habitat and has suddenly demanded compensation from farmers and the municipality. It wants a professional review every time a waterway is cleaned and describes even seasonal streams as fish bearing waters.

In short, DFO is risking the lives and livelihood of people in our region, risking the habitat of the very fish it is supposed to be protecting and doing it in a way that makes timely co-operation impossible.

In my riding of Fraser Valley, the riding of Langley—Abbotsford and in Nanaimo—Cowichan, it is time for the fisheries minister to step in and direct his officials to stop confronting and start working and consulting with the farmers, mayors, councils and others living in these areas.

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CANADIAN SIKH COMMUNITY CENTENARY

Mr. Sarkis Assadourian (Brampton Centre, Lib.): Mr. Speaker, I rise in the House today to pay tribute to the celebration of Canadian Sikh community centenary year 1997. This year marks 100 years of Sikh immigration to Canada.

Sharing a common faith and historical roots in the Indus Valley, the Canadian Sikh community has been built from a worldwide diaspora that also has roots in England, Africa, New Zealand, Asia and the U.S. Today Sikhs are represented in every occupation and facet of Canadian life, including being elected as members of this House of Commons, provincial parliaments and municipal governments.

● (1400)

Congratulations to the Canadian Sikh community for its contribution to Canada's multicultural fabric over the past 100 years and best wishes for its success in the centuries to come.

[Translation]

ANTI-PERSONNEL MINES

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, Canada is hosting a gathering of representatives from over 100 countries who will be signing the Ottawa treaty banning anti-personnel mines, and the Bloc Québécois wishes to reiterate its support for this disarmament effort.

Bloc members also wish to acknowledge the commitment of non-government organizations and of individuals, especially Jody Williams, recipient of the 1997 Nobel Peace Prize, who succeeded in convincing the majority of nations that action on this issue was urgently needed.

The Bloc has no doubt that the government's initiative represents a major step in the promotion of peace, even if some countries that manufacture and use land mines are still refusing to sign the treaty.

We urge the government to continue its efforts to bring the greatest number of countries to sign the treaty. In fact, we wish to assure the government that a sovereign Quebec will also sign the Ottawa treaty.

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LA FRANCOFÊTE

Ms. Claudette Bradshaw (Moncton, Lib.): Mr. Speaker, I would like to congratulate the organizers of La Francofête, a festival that took place in Moncton from November 13 to 16, 1997. The Francofête was a real success. It featured Acadian musicians and performers. It was also the first time that a francophone festival was organized to pay tribute to Acadian musicians, a bit in the tradition of the East Coast Music Awards. This festival gave the people of the maritime provinces the opportunity to share their Acadian heritage with pride.

I would also like to thank Acadian artists such as Antonine Maillet and Edith Butler, who have led the way in ensuring that Acadians can work and prosper in the maritimes. We are all proud to see the Acadian culture continue to thrive.

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[English]

ENVIRONMENT

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, imagine my surprise when I discovered that the Leader of the Opposition challenged the very existence of a global warming problem.

Are he and his fellow Reformers the only ones who continue to believe that global warming would be good for Canada's climate, that air polluted by smog is a tasty delicacy? Perhaps they think

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that global warming is an international conspiracy. Or are they all members of the flat earth society?

I thought the world hit an all time environmental low when Ronald Reagan challenged the existence of acid rain. Today I am not so sure because I cannot believe an educated man like the Leader of the Opposition would make the ridiculous statements he made in the House last week.

Global warming is a real problem. All of us as Canadians must work together to help solve the problem of excessive greenhouse gas emissions. I hope that the Leader of the Opposition will be helping us to protect the global environment in the future.

* * *

CREDIBILITY

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, Canadians want accountability and credibility restored in their politicians and the political system.

Canadians feel that this House is too partisan to focus on important issues. When politicians look in the mirror each morning, they should see 100,000 people they were elected to represent, not their party whip.

Canadians want their politicians to learn from their mistakes and take their jobs seriously. Canadians want their politicians to listen to the debate in the House and then make up their minds as to how to vote, not just come out of their groundhog holes at voting time and vote as they are told to vote. Many members occasionally did not even know what they voted for.

Let us act as responsible democratic law makers. We can restore credibility in politicians by awakening our consciousness and listening to our own hearts and the 100,000 hearts that elected us, not the party whip.

Let us be reminded to be credible and accountable to the people who elected us.

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[Translation]

THE LATE MICHEL BÉLANGER

Mr. Nick Discepola (Vaudreuil—Soulanges, Lib.): Mr. Speaker, it is with sadness that we learned of the death, yesterday, of Michel Bélanger, a great Canadian, who was noted during several decades for his contribution at the social, cultural, political and economic levels.

We all knew Michel Bélanger to be a man of conviction, who cared deeply for human values while bearing in mind that our society had to set out on the road to social and economic prosperity. He believed that every human being had something to contribute to the efforts to improve our quality of life.

• (1405)

The achievements of such an active man are too numerous to list here. Let us nevertheless mention that he was one of Canada's

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leading bankers. We will recall his role as co-chair of the parliamentary commission on the political and constitutional future of Quebec. I had the pleasure of working with him when he was chairman of the no committee during the 1995 referendum.

You shall not be forgotten, Mr. Bélanger. Thanks a million for your outstanding contribution to the development of Canada. You remain the model of a hard-working, conscientious person striving for perfection.

The Speaker: I am sorry to interrupt the hon. member. The hon. member for Okanagan—Shuswap.

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[English]

WESTRAY MINE

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, the first duty of any government is to protect its law-abiding citizens. Instead neither the province nor the federal government made sure that the men who went underground to mine coal at Westray came home safely each day.

According to the book *The Westray Tragedy*, CANMET recommended a more in-depth evaluation of the project. Over 100 men previously killed in the Foord coal seam should have been reason enough for governments to be extra cautious about Westray. So why did the federal government suddenly give its stamp of approval through loan guarantees? If the federal government had no worry for the safety of citizens working at Westray, why did it not even ensure that its investments could be recovered through long term safe and profitable operation of the Westray mine?

The report released yesterday reveals a chain of obvious preventable safety problems. As project financier, Ottawa must share the blame for turning the federally assisted job project into a tomb, a mine so unsafe that 11 bodies have yet to be recovered, and a whole region in Nova Scotia remains in mourning.

* * *

LAND MINES

Hon. Sheila Finestone (Mount Royal, Lib.): Mr. Speaker, a recent trip to the Middle East with the foreign affairs minister gave me occasion to see firsthand the devastation caused by the use of anti-personnel land mines, particularly to our peacekeepers and innocent children. Unlike other military weapons, land mines lie in wait buried in the ground for innocent unsuspecting victims, killing and maiming every 22 minutes every day.

The Ottawa round tables are planning the substance for concrete measurable actions to secure limbs, lands and lives. Ottawa is hosting more than 120 countries today ready to sign a treaty banning the use, production, transfer and stockpiling of anti-per-

sonnel mines, as well as to destroy existing stockpiles and to demine within 10 years.

All countries will have to co-operate with a compliance regime. The Canadian government and NGO organizations aim for a total ban of these mines. We must mobilize not simply to sign the treaty but to ratify it, to give aid to victims and proceed to demine, stopping these crimes against humanity.

* * *

[Translation]

PARTI QUEBECOIS

Mr. Denis Coderre (Bourassa, Lib.): Mr. Speaker, what a sight it was yesterday to see Lucien Bouchard and Jacques Parizeau together on the same podium. How nice it was to hear them say there were no divisions among the separatists.

When Lucien Bouchard condones Jacques Parizeau's statement about the ethnic vote in the last referendum by saying that his predecessor deserves respect, that he is a great democrat, it is true that there are no divisions. Parizeau-Bouchard, same difference. Not only do they want to divide Canada, but they also want to divide Quebec into classes or even into castes.

Well, Messrs. Parizeau and Bouchard, my Quebec has only one class of citizens: first class citizens. Did you get that? In Quebec, we only have first class citizens.

* * *

[English]

ENVIRONMENT

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, this week when we are talking about Kyoto and the need to reduce greenhouse gas emissions, it is important for the government in particular to remember the role that a revitalization of rail transportation in this country could play in the reduction of greenhouse gas emissions.

I urge the government to take seriously many of the recommendations that were made a couple of weeks ago by the Railway Association of Canada. I do not agree with all of its recommendations but it certainly made some that the government should take very seriously.

One of the most useful ways we can combat greenhouse gas emissions in this country is to revitalize rail transportation, both on the freight side and the passenger side, and to reregulate our transportation system to favour rail transportation.

We are threatening public safety and polluting the environment. Let us get some of this freight off the highways and back on the rails where it belongs.

[Translation]

PARTI QUEBECOIS

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, yesterday, PQ members witnessed a nice reunion when the former chairman of the yes side, Jacques Parizeau, shared the same stage as the current Premier of Quebec, Lucien Bouchard.

• (1410)

There can be no doubt now that the comments made by Mr. Parizeau, the great democrat, as he was referred to by Lucien Bouchard, reflect the Parti Quebecois' official ethnic policy. We now understand why the Bloc Quebecois, a party that has lost its raison d'être, is silent on the issue.

The Quebec Liberal caucus, which I have the honour of presiding, is Quebecers' real voice in Ottawa, and all of Brome—Missisquoi is proud of that.

* * *

THE LATE MICHEL BÉLANGER

Ms. Hélène Alarie (Louis-Hébert, BQ): Mr. Speaker, Michel Bélanger has just died. Recruited in the early sixties by the key players of Quebec's quiet revolution, he became an economic adviser to René Lévesque. Under Mr. Lévesque's leadership, Michel Bélanger initiated the bold plan to nationalize electricity.

Michel Bélanger was the first francophone to become president of the Montreal stock exchange, then president of the Provincial Bank, before becoming the architect of the bank's merger with the Bank Canadian National, and then president of the new Banque nationale, until 1989.

Following the failure of Meech Lake, Mr. Bélanger agreed to form, with Jean Campeau, the commission on the political and constitutional future of Quebec. Mr. Bélanger was a staunch federalist, but he did not hesitate to refute the comments of those who used scare tactics when talking about the economic risks relating to sovereignty.

In September 1991, he said "I have always believed that sovereignty could be achieved, but was not necessary. However, if no one is prepared to find another solution to the problem, then it must be done".

The Bloc expresses its condolences to Mr. Bélanger's family and friends.

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[English]

EDUCATION

Mr. Norman Doyle (St. John's East, PC): Mr. Speaker, it is time for the federal government to invest in our future. I call upon the Minister of Finance to earmark more money for post-secondary education. Since 1993 the minister has cut billions in transfers

S. O. 31

to the provinces which has directly resulted in higher tuition for students all over Canada.

In my province of Newfoundland, enrolment at Memorial University has gone down steadily since 1993 while tuition has increased by a whopping 200%. As a result, student debt has reached crisis levels.

If the government does not act soon, accessible and affordable post-secondary education for Canadians will be a thing of the past.

* * *

AUTOMOTIVE INDUSTRY

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, Canada's automotive industry is booming. Production of cars and car parts continues at a record pace this year. Continued success in the automotive industry is extremely positive for the Canadian economy.

Chrysler Canada for instance employs some 3,500 people in my riding of Bramalea—Gore—Malton and around 14,000 people nationwide. As well, Chrysler now hopes to create 1,300 new jobs at its Bramalea assembly plant by working in co-operation with Human Resources Development Canada.

It is innovative partnerships like Chrysler's proposal that will allow Canada's workforce to compete in the global markets of the 21st century.

* * *

KREVER REPORT

Mr. Greg Thompson (Charlotte, PC): Mr. Speaker, it has been one week since the Krever report came down. Many Canadians are looking very critically at the government to respond to the needs of over 12,000 hepatitis C victims, victims of a tainted blood supply in Canada.

I am asking the federal minister to respond unilaterally to show the leadership needed to address this very serious problem. Do not wait for the provinces. Show the leadership that we expect of the Minister of Health. Act now. Do not wait. They need your help.

* * *

PATRONAGE

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker,

Well, we've got trouble my friend
 Right here, I say trouble right here in Liberal City
 Why sure, it's the patronage
 They're always mighty proud to say they're always
 mighty proud to say it
 They consider that the time that they spend with
 a lobbyist friend is golden
 Helps 'em cultivate good friends
 with the big cheques
 and the wish lists
 Did you ever take and try and give an ironclad
 leave to yourself when there's Liberal hacks involved?
 Well, I call that the trough
 the first big step on the road to the depths of
 degradation, I say now first, medicinal wine from
 a teaspoon, then beer from a bottle

Oral Questions

And the next thing you know their buddies are working while ordinary folks get squat

Listening to some big out of town jasper
Hearin' him talk about holiday time
and guaranteed wage, all taxpayer paid

Makes your blood boil, well I should say
Now friends let me tell you what I mean

You've got 1, 2, 3, 4, 5, 6 patronage appointments
Appointments that mark the difference between a gentleman and a Grit

And that starts with G and it rhymes with
T and that stands for trouble

Oh, we got trouble
We got terrible, terrible trouble
Those Liberal handouts are the sign of the devil's tool

Yes, we've got trouble, trouble, trouble
We got trouble here. We got great big trouble
with a T and that rhymes with G
and that stands for Grits
Right here in Liberal City

• (1415)

The Speaker: We've got trouble.

ORAL QUESTION PERIOD

[English]

THE ENVIRONMENT

Mr. Preston Manning (Leader of the Opposition, Ref.): Anything I say will be anti-climactic, Mr. Speaker.

Some hon. members: Hear, hear.

Mr. Preston Manning: To get serious, any greenhouse emissions deal signed in Kyoto is doomed to failure if the provinces do not co-operate.

Last month the environment minister met with her counterparts and they agreed to certain levels. Now those levels have been changed by the federal government twice. The Saskatchewan negotiators are refusing to go to Kyoto. The Government of Alberta says that it has been betrayed by the actions of the federal government.

My question is for the Prime Minister. How does he intend to force the Kyoto deal on the provinces when they feel so betrayed by the way it was developed?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have made a proposition at Kyoto for negotiating purposes. In the discussion we had with the provinces we discussed many aspects of it. It was said that we needed some flexibility.

We are going to negotiations where there will be 150 nations sitting at the table. Everybody has to make sure that the problem of climate change is dealt with very seriously by all countries of the world.

In Canada we said that we wanted to have a position that we were able to implement, keeping in mind that we are neighbours with the United States which has a bigger problem than we do. We decided to have a position—

The Speaker: The hon. Leader of the Opposition.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the federal government has had three positions in the last three weeks. That is why the provinces are upset.

Another reason they are upset is that the federal government has steadfastly refused to articulate its view on what this Kyoto deal will cost. Other people are sharing their views on the cost.

The conference board says that it could cost \$780 a year for every man, woman and child. BCNI estimates the Kyoto deal could cost a 2% to 3% reduction in GDP but the government will not say what its cost estimate is.

My question is for the Prime Minister. Exactly what is the federal government's estimate of the cost of its commitments at Kyoto? Does he think that this level of cost is acceptable?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are going into negotiations where all countries of the world have to face exactly the same problem.

We know that we can turn it into an opportunity for Canada to be successful in developing new technology and exporting that new technology to the world. We are a great exporter of energy.

We are dealing with the possibility of getting credit for some of the things we are doing. For example, we are cleaning gas in Canada so that we give clean gas to the Americans. We would like to get credit for that.

We are going there with a very good negotiating position.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, with vague answers like that one it is clear the Liberal position at Kyoto will be just as ineffective as the Tory position was in Rio.

When the member for Sherbrooke went to Rio it was all photo opportunities and hype. It was a giant PR exercise that meant nothing. That was because there were no real consultations before they went. There was no real deal in Canada. There were unrealistic targets. There was no plan to pay. There was no plan to implement.

Why is the Liberal government making exactly the same mistake at Kyoto that the Tories made in Rio?

Oral Questions

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, at least the Tories had a position. The Reform has no position at all.

At least the government and most of the parties in the House believe that the earth is not flat any more, that there is a globe, that there are international problems, and that we live in the 21st century and not the 9th century.

• (1420)

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, it is not just Ottawa where we have trouble. Kyoto is getting us into a lot of trouble too.

The environment minister said that she wants to regulate radically our cars, our homes and every industry in the country, but she has not once addressed the problem of how much it will cost.

The government wants us to turn the economic clock back to 1990 and then cut 5% deeper than that. Yet it has not estimated how many jobs may be lost in the process.

Could the Prime Minister tell me why the government is so afraid to talk about the cost involved in its kamikaze flight to Kyoto?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have a very reasonable position. It is difficult. Some say we are going too far. Some say we are not going far enough. That is exactly what happens in Canada all the time. We are a very reasonable country, with a very balanced view of things.

We think there is a problem around the world but I know the Reform Party only has some financial interests to protect.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the Prime Minister talks about a very balanced position. In fact the Liberals have come up with three balanced positions. It is a hat trick to Kyoto and I do not think they should be proud of it.

They do not have a plan to pay for the Kyoto deal. They do not have a plan to implement the deal. They do not have a plan to get the provinces onside and they have already been balking, especially Alberta and Saskatchewan.

The only plan the Liberals have worked out is to make sure that the photo ops are there, that they smile and look like they really care about the environment.

Let me ask the Prime Minister this question. How in the world could Canadians trust this government that says this week sign now and pay later? How much?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Canadian people are aware that there is a very responsible government in Canada. It is a government that realizes we have a problem and that to put our heads in the sand will not cure the problem of climate change in the world.

In the past we have seen some very bad judgment by people who did not want to change anything at all. They made some terrible mistakes. That is not what this government will do.

This government believes there is an international problem that needs some attention. The other parties in the House of Commons have positions on the matter but the Reform Party only has its interests.

* * *

[*Translation*]

LANGUAGE POLICY

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, the latest Statistics Canada census figures, released this morning, confirm that French has lost considerable ground.

The percentage of people speaking French in the home has dropped to below 3% outside Quebec. Everywhere in Canada, with the exception of the Yukon, the proportion of francophones has decreased.

In light of the figures published today, does the Minister of Canadian Heritage see how badly the federal government's language policy has failed?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I think one thing is important: looking at the 1996 census, we see right off that the use of French in Canada has increased, which is good news. The greatest increase, of course, has been in the province of Quebec.

As we are already doing with the minority language program, we wish to maintain recognition of the French language as equal to English, through such actions as supporting TVO's French language broadcasting. Programming must be available in French throughout the country and we hope this will continue.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, the rate of francophone assimilation has increased, confirming the Bloc Québécois' fears. The number of people speaking French in the home has even dropped by 57,400 since the Official Languages Act was passed.

Does the minister plan to carry out a thorough examination of her language policy, in order to bring it more in line with what the critical situation of francophones outside Quebec requires?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I have already, through my cabinet colleagues, carried out an examination of all of our current funding for minority languages.

[*English*]

An hon. member: Send them another cheque.

Oral Questions

[Translation]

Hon. Sheila Copps: I find it sad that the Reform is saying "Send them another cheque". The ability to speak French is not dependent on a cheque, but on the desire of each and every Canadian, and the language has survived for 100 years. Now that we have the institutions, we must continue with them, we must work together within a united Canada to build them. We are well placed to build up French throughout the country.

• (1425)

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The aim of federal language policy is to allow francophone groups in Canada to live in French. Today the minister is gloating over data on bilingualism, but she remains blind to the increasing problems faced by francophones.

Why does the Minister of Canadian Heritage not consult her counterparts in essentially English provinces to find out how Canada could really allow those francophones to live in French?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I do and I did so in fact last month.

A meeting of the ministers of the Francophonie was held, unfortunately the Quebec minister decided not to attend.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, since 1971 the Canadian rate of assimilation has increased from 27% to 37%.

In the minister's region of Hamilton, the rate of anglicization was 68% in 1996.

Does the minister realize the message she is sending by doing nothing is that things are done in English in Canada?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I invite the hon. member to visit my riding and meet people working in Notre-Dame school, in the Georges-P. Vanier school or at a francophone chamber of commerce.

Does he want to come or does he prefer to close his eyes, as did his minister of the Francophonie, who has no interest in francophones outside Quebec, except when it is to his political advantage?

* * *

[English]

AUDITOR GENERAL'S REPORT

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, my question is for the industry minister.

The banks have spent millions to plant one question. Can a bank change? It turns out the question should be can a bank count. The federal government, through small business loans, funnelled \$6

billion in risk free loan business to the banks. The government claims to get 37 jobs for every \$1 million lent because that is what the banks tell it. The auditor general has revealed that the actual count is a paltry seven jobs per \$1 million.

Will the minister end this risk free ride for Mr. Banker and ensure—

The Speaker: The hon. Minister of Industry.

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, not only does the leader of the NDP profoundly misunderstand the program. She does not recognize the fact that the Small Business Loans Act is currently helping 30,000 small businesses in Canada acquire access to capital, one of the fundamental concerns the small business community has brought to our attention.

Day after day the small business community is creating the very kinds of jobs the leader of the NDP claims to want. Why does she not wake up and realize that this is a program that works?

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, we are talking about a free ride for the banks, not small business.

The auditor general found that the Atlantic Canada Opportunities Agency is mathematically challenged as well. ACOA apparently cannot count how many jobs it has created and maintained either. Instead it has fun with figures by assuming incredibly that each job lasts 10 years.

Will the minister responsible for ACOA stop boasting about assumed jobs and start working with Atlantic Canadians to set targets and achieve targets for an increase in real desperately needed jobs.

Hon. Fred Mifflin (Minister of Veterans Affairs and Secretary of State (Atlantic Canada Opportunities Agency), Lib.): Mr. Speaker, ACOA is very pleased to note that in his latest report the auditor general explicitly acknowledges the progress that has been made by the agency. I am delighted to be able to stand behind that.

Notwithstanding the auditor general has made some observations. I am delighted to be able to take these observations under advisement and to implement new procedures in ACOA to make sure that we will be more effective than ever.

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THE ENVIRONMENT

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, it has now been 24 hours since the government has announced its position relative to the conference in Kyoto. I want to repeat the question I asked yesterday. Can the government inform the House of Commons today which provincial or territorial governments officially support the position announced 24 hours ago by the Government of Canada?

• (1430)

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, as I have said before, this government has gone through a long series of dialogue with all of our partners in this country, including the provinces and territories.

When we met in Regina, the provincial and territorial minister counterparts said that they recognize Canada needed flexibility when we went to Kyoto, that as a member of the international community we had to negotiate a convention and that it was in everybody's best interest in Canada that we are at the table and that we have a successful agreement in Kyoto.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, I am glad to hear from the minister that she is in favour of dialogue because I would like to encourage some dialogue between her and her colleague from natural resources today, and I will ask the Prime Minister to help them dialogue.

She stated in a radio interview this morning that Canada's commitment in Kyoto would be legally binding and in a direct contradiction her colleague from natural resources said "When our Canadian implementation plan is sufficiently mature, we will turn the page to formal ratification in Kyoto".

Can the Prime Minister tell us which of the ministers actually has the Government of Canada's position?

Hon. Ralph E. Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, the hon. member I think misunderstands the legal process that is followed here.

First of all, the parties have to arrive at a consensus in Kyoto about the commitments to which they are prepared to make legal obligations. Then there is the signature process. Then there is a ratification process. Then there is a coming into force process.

So what the Minister of the Environment has said and what I have said are completely consistent. The hon. gentleman just does not understand the process.

* * *

JUSTICE

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Ref.): Mr. Speaker, my question is for the Minister of Justice.

Yesterday in Saskatchewan the judge bypassed the law of Parliament saying in the Latimer case that Canada's murder laws are all wrong. The situation begs some signal of intent from the justice minister. Does the Criminal Code have meaning or do judges just select terms to their liking?

What legislative action is the minister contemplating in view of what the judge has done to the Criminal Code in his Latimer decision?

Oral Questions

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member raises a very important question and that is in relation to the judgment of Mr. Justice Noble in the Latimer case.

As the hon. member knows, I cannot comment on that specific case. It is up to the Attorney General of Saskatchewan to decide whether any appeal is to be commenced in that particular case.

However, I do want to acknowledge for everybody here in the House that Mr. Justice Noble acknowledged the exceptional circumstances in which he rendered his decision. He made a finding that the charter had been violated, that the rights of Mr. Latimer—

The Speaker: The hon. member for New Westminster—Coquitlam—Burnaby.

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Ref.): Mr. Speaker, that is a predictable answer, again a legal vacuum from this Liberal government.

Disabled groups fear this new loophole in the law will take Canada down a slippery slope of devalued life. What does the minister say to the disabled who are now in fear? What is the minister going to do to protect the helpless and also provide a meaningful Criminal Code?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): As the hon. member should be aware, nothing that Mr. Justice Noble said yesterday impacts on the provisions in the Criminal Code that deal with second degree murder. There continues to be a mandatory minimum sentence of 10 years.

Yesterday counsel for Mr. Latimer argued that in the circumstances of that particular case the imposition of that punishment would constitute cruel and unusual punishment. However, Mr. Justice Noble made it plain that his decision was specific and those provisions of the code in question remain in full force and effect.

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[Translation]

THE ENVIRONMENT

Mr. Odina Desrochers (Lotbinière, BQ): Mr. Speaker, in his report released this morning, the auditor general notes that the federal government has no internal policy governing the management, replacement and disposal of substances that deplete the ozone layer. Yet, according to the auditor general, federal departments are major users of such substances.

• (1435)

How can this government claim to be able to implement the agreement on greenhouse gases it will be signing in Kyoto, when its own departments are unable to set an example by cutting down on the use of ozone depleting substances?

*Oral Questions**[English]*

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, the auditor general's report is taken very seriously by my department. In fact, Canada took a leading role in putting in place the Montreal protocol which deals with reducing ozone depleting substances. We are aware of the fact that there is illegal traffic in these substances and we are developing a national action plan to make sure that all ozone depleting substances are controlled in this country.

[Translation]

Mr. Odina Desrochers (Lotbinière, BQ): Mr. Speaker, how can the federal government convince uncooperative provinces to comply with the objectives set in Kyoto when it cannot even lead by example by reducing ozone depleting substances?

[English]

Hon. Christine Stewart (Minister of the Environment, Lib.): Mr. Speaker, in fact, Canada has set a very good example internationally when it comes to reducing ozone depleting substances. We have set in place targets which we have exceeded. There were enormous economic benefits to this country, private business and individuals.

We hope this will set a good example for Kyoto.

* * *

TED WEATHERILL

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the auditor general trashed Ted Weatherill and the Canada Labour Relations Board this morning in his report.

On 1,300 occasions Ted Weatherill went away beyond the Treasury Board guidelines on his expense account. This guy is completely out of control.

My question to the Minister of Labour is will he stand up right now and tell us that that guy is gone?

Hon. Lawrence MacAulay (Minister of Labour, Lib.): Mr. Speaker, I have received and reviewed the report and agree with the report.

Members of the Canada Labour Relations Board are appointed by governor in council and hold office during good behaviour. There are legal steps required in order for the governor in council to remove an appointee and I initiated these steps this morning.

Some hon. members: Hear, hear.

Some hon. members: Lawrence for leader.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the minister did not tell us anything today that we did not know last spring, which has cost us tens of thousands of dollars. Is he going to reimburse the treasury because he could have done this six months ago?

Hon. Lawrence MacAulay (Minister of Labour, Lib.): Mr. Speaker, I think my hon. colleague is well aware of what I have just indicated. I have taken steps.

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*[Translation]***ASBESTOS INDUSTRY**

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, yesterday the Minister for International Trade stated that the premier of Quebec had specifically requested that the federal government back away from any WTO challenge.

On checking, we found that the premier of Quebec never made any such request, either directly or indirectly.

How could the minister make such a statement in this House?

Hon. Sergio Marchi (Minister for International Trade, Lib.): Mr. Speaker, yesterday, I stated very clearly that the premier of Quebec had given instructions to the government, to federal officials. I am very proud to have made this statement yesterday and I reiterate it today.

● (1440)

Mrs. Suzanne Tremblay (Rimouski—Mitis, BQ): Mr. Speaker, we have proof that Lucien Bouchard, the premier of Quebec, never made any such request to the minister. I ask that the minister table in this House proof that the premier of Quebec indeed requested that he not complain to the WTO?

[English]

Hon. Sergio Marchi (Minister for International Trade, Lib.): Mr. Speaker, I know the member is obviously very passionate when it comes to asbestos, but I think it is very clear to our officials that the government of Quebec has been certainly doing a doublespeak, one for the public and one behind the curtain.

I mentioned yesterday quite clearly that the Government of Canada has led on the asbestos issue, has organized an international conference, last week pulled together officials from the Government of Quebec together with industry, and they are firm and resolute on the strategy to take in—

The Speaker: The hon. member for West Vancouver—Sunshine Coast.

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IMMIGRATION APPEAL BOARD

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Mr. Speaker, today the auditor general released a scathing indictment of the Immigration Appeal Board. The auditor general says there are serious difficulties with all stages of the refugee claim process.

My question to the Minister of Immigration: 20,000 people have been ordered deported. Only 4,000 have been deported. What is

the government doing to speed up the process to get rid of these 16,000 people who have been ordered deported?

[Translation]

Hon. Lucienne Robillard (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I would like to state first of all that we welcome the auditor general's report on the determination of refugee status, where he recommends that we review that process completely. That is what we will do and it is with that aim that an advisory group will be tabling a report and recommendations in December of this year. Therefore we will be able to use that to change the process.

As for the problem of removals, it is true that we are having problems in this area, but I would like to mention that compared to last year, removals have increased by 37%.

[English]

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.): Mr. Speaker, the minister knows that a minister that does something can get a standing ovation in this House. I quote the auditor general. He said: "To preserve the integrity of the immigration program, removal orders need to be carried out quickly."

This department has 35,000 people in the backlog of refugees and we have 16,000 people ordered deported. What is the minister going to do, and tell the Canadian people, to solve this problem not next year or the year after, but right today?

[Translation]

Hon. Lucienne Robillard (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I would suggest that my Reform colleague reread the auditor general's report, where he states in fact that we have to be careful not to make piecemeal changes to the system, but that we should instead consider it as a whole because it is a very complex process. And that is exactly what we will be doing.

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NATIONAL AIDS STRATEGY

Mr. Réal Ménard (Hochelaga—Maisonnette, BQ): Mr. Speaker, yesterday, in Toronto, the Minister of Health announced phase III of the national AIDS strategy. Nevertheless, during phase II, all the stakeholders had expressed their concern about the lack of co-ordination from Health Canada in the implementation of the national AIDS strategy.

In order to avoid the problems we experienced during phase II, can the minister tell us whom he has assigned to co-ordinate phase III of the national AIDS strategy?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, I did in fact announce yesterday in Toronto that the government will be

keeping its commitment to renew the national strategy on HIV and AIDS. We will spend \$211 million during the next five years.

As for co-ordination of these initiatives, I have consulted the community groups concerned and I created a ministerial council to ensure representation of those involved in this issue.

* * *

TFO

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, there was a meeting of concerned citizens yesterday in Ottawa to discuss the future of TFO, the French educational network of TV Ontario, where there was strong opposition to its privatisation.

Can the heritage minister reassure us as to the type of support TFO can count on from her department?

• (1445)

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I would like first of all to congratulate the member who has always shown great interest in the development of francophone communities across Canada.

I can assure him that we are working with our counterparts so that this TFO can continue to serve the public and, second, so that Télévision française de l'Ontario, which has already started to broadcast in New Brunswick, can broadcast in the province of Quebec and in all of Canada, so as to increase French programming for children and for everyone.

* * *

[English]

TRANSPORT

Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.): Mr. Speaker, I have a Christmas inspired question for the grinch over there.

Why is the Minister of Transport letting his bureaucrats run amok with reregulation of the air charter industry so that thousands of Canadians planning Christmas travel will have to pay hundreds of dollars more for their flights or stay home?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, the government is not in the process of reregulating the air charter industry.

What is happening is quite normal. The Canadian Transportation Agency reviews periodically all the regulations. It has solicited public reaction to a certain set of proposed regulations. Those are now available for comment by the general public. Then they are presented to me as minister. No regulatory change will be made without a cabinet decision.

I would ask the hon. member not to believe everything he reads in the newspapers.

Oral Questions

Mr. Lee Morrison (Cypress Hills—Grasslands, Ref.): Mr. Speaker, I can assure the hon. minister that I do not get my information only from the newspapers. He can expect at least one lump of coal in his stocking come Christmas.

Last minute discount bookings on charter flights have become big business because they respond to consumer demand. Now the Liberals with their pathological hatred for the free market want to kill it.

Why does the minister want to restrict overseas travel to well heeled Canadians?

Hon. David M. Collenette (Minister of Transport, Lib.): Mr. Speaker, to the contrary. What the CTA regulations intend to do is further liberalize the air charter industry.

In any event, this shows the process works, because the CTA has gazetted its proposed regulations, inviting public comment. The hon. member and others are giving that comment. That gives an informed debate to a very interesting and important issue.

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FISHERIES

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The auditor general's report on the sustainability of the Pacific salmon resource base points to habitat destruction as a key factor contributing to the lower numbers of chinook and coho salmon returning to spawn in B.C. waters.

He claims the DFO has neglected its responsibility to monitor and review its policies for habitat conservation.

Will the minister inform the House why, despite warnings from an internal DFO audit in 1994, the government has failed to ever monitor and review its own habitat policy?

Hon. David Anderson (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, we have an active habitat policy in British Columbia. One of the problems, however, is the provincial government is responsible for agriculture, mining, forestry, urban development and highway construction.

In the last 6 years we have had 13 charges and 7 cases against the provincial government.

I hope the hon. member will talk to his friends in the provincial Government of British Columbia so that we can truly have co-operation to protect the habitat of Pacific salmon in British Columbia.

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Speaker, the auditor general placed the blame squarely on the federal Department of Fisheries and Oceans.

B.C. fishers face Alaskan government threats in their legal action to seize their fish boats and effectively to destroy their livelihoods.

What specific action is he taking with respect to this very serious threat by the Alaskan government that would in effect destroy the livelihoods of B.C. fishers and will he join in the counter-suit of B.C. fishers against the illegal theft of salmon by the Alaskans?

• (1450)

Hon. David Anderson (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the hon. member's reference to illegal theft is interesting. The overkill that he uses in this issue is demonstrated by that comment.

I would point out to him that we are doing whatever we can to get an agreement with the Americans, both Alaskans and those in Washington state, to make sure that the Pacific salmon fishery is managed in the interests of the fishermen of both nations.

With reference to the specific case of the fishermen who took part in the blockade in Prince Rupert, that comes under the normal process of the Canadian courts, under Canadian judges, under Canadian law—

The Speaker: The hon. member for Pictou—Antigonish—Guysborough.

* * *

WESTRAY

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, in the early morning hours of May 9, 1992 a violent explosion ripped through the Westray mine in Plymouth, Pictou County, Nova Scotia, killing 26 men underground.

Yesterday Mr. Justice Peter Richard released his public inquiry report into the Westray disaster. The report recommended that "the Government of Canada, through the Department of Justice, should institute a study of the accountability of corporate executives and directors for the wrongful or negligent acts of the corporation and should introduce in the Parliament of Canada such amendments to legislation as are necessary to ensure that corporate executives and directors are held accountable".

Will the Minister of Justice tell us if she is going to act—

The Speaker: The hon. Minister of Justice.

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member raises the very important issue of the tremendous tragedy which took place at the Westray mine.

We received the final report of Mr. Justice Richard yesterday. My officials are reviewing that report. We will be reviewing that

report in conjunction with other interested departments, including the departments of industry, HRD and others.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, my supplementary question is for the Minister of Labour.

Recommendation 64 of the same report calls on the province of Nova Scotia to enter into an agreement with the federal Department of Labour and transfer responsibility for underground coal mining and inspection from Nova Scotia to the federal government. It also calls for the Nova Scotian government to update the federal government on drafting regulations.

Is the Minister of Labour prepared to enter into this slippery slope of downloading federal responsibilities to the provinces?

Hon. Lawrence MacAulay (Minister of Labour, Lib.): Mr. Speaker, I can assure the hon. member that the Minister of Labour and the Department of Labour are concerned about health and safety issues across Canada in the mining industry.

* * *

TRANSPORT

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, last week the prime minister announced a new bilateral agreement with China.

Winport Logistics of Winnipeg is teamed with Kelowna Flightcraft and is ready to enter this new market now. Can the Minister of Transport tell us what he is doing to ensure that Canadian companies can take advantage of this new agreement?

Hon. David M. Collette (Minister of Transport, Lib.): Mr. Speaker, we are indeed very pleased about this agreement because it does give new opportunities to the airline cargo industries in both countries.

Prior to the negotiations with China I instructed my officials to develop guidelines for application in Canada. Once I have those guidelines I will immediately move on designating an air carrier to handle the cargo trade with China.

* * *

ABORIGINAL AFFAIRS

Mr. Derrek Konrad (Prince Albert, Ref.): Mr. Speaker, the job of the auditor general is to drag skeletons out of the closet and there is one right here. A consultant's report prepared by a first nations reserve in Ontario estimated the cost of repairing a water treatment plant at \$26,000. When the Canadian taxpayers got the bill it was for \$2.3 million.

Given that the final cost of this project is about 100 times the original estimate, my question to the Minister of Indian Affairs and

Oral Questions

Northern Development is why did she go to the expense of replacement rather than sticking with the original plans which were adequate for the purposes?

Hon. Jane Stewart (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, in the case in point, the community is located by a river which has mine activity to the north of it. The river has aluminium in the water and the first nation had decided it would not accept water from that source.

As a result, and I think fairly so, the community, for the safety and security of its people, decided that it needed a new water source. Indeed we worked with them to find an alternate source.

* * *

[Translation]

ATLANTIC GROUND FISH STRATEGY

Mr. Yves Rochelleau (Trois-Rivières, BQ): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

With the Atlantic groundfish strategy soon coming to an end, a parliamentary committee is currently gathering information on ways to follow up on the program, which over 20,000 people depend on. Meanwhile, we learn that Department of Human Resources Development officials are preparing to handle a major social crisis in anticipation of the end of the program.

Would the minister tell us whether current consultations will lead to follow-up measures or whether this is a first class burial that will leave people with nothing come next spring?

• (1455)

Hon. Pierre S. Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, we are following the situation very closely.

We are certainly getting ready for the end of TAGS. I have already spoken out against what is being claimed as our policy regarding training for our officers. It is absolutely not the case.

I have made it very clear that one of our officials is preparing a very detailed report. The parliamentary committee also went on location to consider the post-TAGS situation in various communities and provinces. We will assume our responsibilities as a government.

* * *

[English]

WESTRAY

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, 26 miners lost their lives in the Westray mine disaster and I know all members of this House recognize the suffering of the families and communities involved.

Oral Questions

Will this government immediately follow up on the recommendation of Westray inquiry chair Justice Peter Richard that the Government of Canada should institute a study of the accountability of corporate executives and directors for the wrongful or negligent acts of the corporation and should introduce amendments to legislation to ensure that corporate executives and directors are held properly accountable for workplace safety?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I advise the member that an extensive review of the Canada Business Corporations Act, including responsibilities of officers and directors, has been ongoing now for a period of time.

I think the comments of the Westray inquiry yesterday will be important contributions to the overall review of the act. We are anticipating extensive reform of the act. I will take into consideration all recommendations at that time.

* * *

SUGAR EXPORTS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, my question is for the Minister for International Trade. First I want him to know that I am also a passionate person, particularly when it comes to Canada's sugar export quotas to the U.S., which have been reduced from 35,000 to 10,000 tonnes due to the 1995 WTO. Lantic Sugar refineries in Saint John and in Montreal are suffering because of this.

Will the minister inform this House regarding what steps he will take at the next WTO negotiations to restore Canadian sugar exports to the U.S.?

Hon. Sergio Marchi (Minister for International Trade, Lib.): Mr. Speaker, are you saying that it takes three to tango?

I certainly welcome the passion that the member brings to the House and to defend a very important national constituency.

As the member will know, there was a lot of discussion between the sugar industry and the federal government vis-à-vis the whole question of the agreement with the United States.

It was the feeling of the industry in recommending to the Government of Canada to enter into this agreement as opposed to continuing the kind of harassment that has been experienced in the past, but we will continue to work.

* * *

AGRICULTURE

Mr. Paul Bonwick (Simcoe—Grey, Lib.): Mr. Speaker, my riding of Simcoe—Grey is composed heavily of residents directly involved in the agricultural industry.

As a representative of these farmers, my question is for the Minister of Agriculture and Agri-Food. What new funding commitments has he made that will benefit the agricultural industry?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, there is no question that we will continue to work with the industry, to develop new horizons and new opportunities in the industry.

I am pleased to remind everyone that, through the Canadian adaptation and rural development fund, there has been a contribution made to the Canadian Agricultural New Uses Council, which is made up of representatives of the industry from across this country, to work with the industry to come up with new food products and new non-food products from the agricultural industry for the benefit of our domestic and international consumers.

* * *

HAITI

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, finally our troops are coming home from Haiti after being on mission impossible.

After we spent \$500 million on this mission, we have not achieved a democratic Parliament. We have not achieved hospitals or schools. We do not have a working judiciary or a police force.

While our troops and police have done the very best job they could, how can this minister call this mission a success?

• (1500)

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, I would like the hon. member to recall a few short years ago when Haiti was governed by one of the worst dictators ever seen in the western hemisphere. Now there is an elected president and an elected parliament. The people of Haiti are making an honest effort to try to recover, re-establish and rehabilitate themselves.

It is very unseemly for a member of the Reform Party to cast aspersions on both the efforts of the Government of Haiti and our own peacekeepers who have made such a great effort to try to rebuild that country.

The Speaker: Colleagues, that would bring to a conclusion our question period.

* * *

[Translation]

PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of members to the presence in our gallery of His Excellency Albert Pintat, Minister of Foreign Affairs for the Principality of Andorra.

Tributes

Some hon. members: Hear, hear.

[*English*]

The Speaker: Colleagues, a former member of Parliament, Mr. Jack Pickersgill, passed away a little while back. We are going to have tributes to him now. We will begin with the hon. Minister of Veterans Affairs.

* * *

THE LATE JACK PICKERSGILL

Hon. Fred Mifflin (Minister of Veterans Affairs and Secretary of State (Atlantic Canada Opportunities Agency), Lib.): Mr. Speaker, today it is both an honour and a privilege, though a sad one, for me to pay tribute to a good friend, a truly remarkable Canadian, the Hon. John Whitney Pickersgill, or Jack as he was known to many of his colleagues.

His passing last month marked the departure of an extraordinary individual. Jack Pickersgill was an exceptional politician, a devoted public servant and an avid author and historian. His outstanding talents and notable achievements all constitute part of the rich legacy he leaves for Canada. Admired for his integrity, his intelligence and his impeccable sense of social justice, he served four prime ministers with great distinction.

His unwavering commitment to Canada was reflected in every challenge he rose to accept. Whether serving in government as an honourable minister or as a member of the official opposition in his colourful role as a member of the four horsemen, Jack Pickersgill was highly respected by his colleagues within the Liberal Party of Canada and outside of it.

As an author and historian, his written works are insightful pieces which will long remain valuable reference materials for all Canadians. His exemplary sense of social responsibility in hand with his keen intellect has proven instrumental in developing many of—

The Speaker: My colleague, I know this is a very serious issue we are addressing.

• (1505)

I invite you, colleagues, if you have other meetings, especially during the time of tributes, that you carry on the meetings outside of the House. I apologize to the member for interrupting.

Hon. Fred Mifflin: Thank you, Mr. Speaker. I appreciate your intervention. I thought it was most appropriate.

I would go on to say in respect of the Hon. Jack Pickersgill that while his influence was in virtually all aspects of policies and politics, I think it is important that success to him would appear to have been measured in large part by those accomplishments he could achieve on behalf of all Canadians.

It is a mark of the man and a solid indication of his values that, despite the power and influence he possessed, there were two accomplishments of which he was exceptionally proud. One was the provision of unemployment insurance for fishermen. The other was the provision of a place in Canada for 35,000 Hungarian refugees who became exemplary citizens.

On that note, as we take this opportunity to pay tribute today to Jack Pickersgill, it is imperative that we acknowledge his unfailing commitment to Canada. During this period in our history when we are being asked to reflect on the question of unity, let us learn from Jack's devotion and his strong belief in a better future to rededicate ourselves to ensuring a nation strong and indivisible.

Having worked steadfastly to help build many of the institutions that Canadians enjoy today, let us also take a moment to give thanks and recognize these contributions.

On a personal note, I am extremely proud to have known him as you have, Mr. Speaker, and am honoured to have considered him a dear friend. We did not spend a lot of time together but the moments we did spend were precious. His larger than life counsel and his advice were always beneficial; his wit and his wisdom always inspirational.

Given the privilege that we both have had to serve the people of Newfoundland in Parliament, he in Bonavista—Twillingate and I in almost a mirror image of that riding, Bonavista—Trinity—Conception, I know that Newfoundlanders and Labradorians in particular will always have for him a special place in their hearts. The public contributions he made during his lifetime were remarkable. His personal impact on those whose lives he touched was equally as significant.

I recall the first time I saw him as a young boy, observing him through the picket fence on the grounds of the Orange Lodge in Bonavista as he campaigned in the early days with Joey Smallwood. Even then I was struck by his commanding presence and his lasting and reassuring smile.

While Canada mourns the loss of an exceptional leader whose indelible mark has been left on the national stage, let us give thanks for Jack Pickersgill and for his tremendous legacy. Dedicated to his constituency and committed to his country, the personal and public achievements of Jack Pickersgill are the pillars upon which this nation has been built.

By way of conclusion, in his book *Seeing Canada Whole*, he describes his family values this way “The friendship of our children for their parents and for each other has been a great reward for Margaret and me. Despite two great wars and some personal sorrows, mine has been a happy life. The half century of living with Margaret has been the supreme experience of this happy life”.

Tributes

Jack will always be remembered as a rare Canadian treasure. To his widow, Margaret Pickersgill, and to their family, I am sure that all our colleagues join me here, in the Parliament that he so loved, in expressing our heartfelt condolences.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, I too rise today on behalf of the Official Opposition to recognize the years of public service of Jack Pickersgill. He lived from 1905 until 1997.

The member from Newfoundland just made reference to Jack Pickersgill and the book that he wrote, *Seeing Canada Whole*. It is amazing to think that Jack Pickersgill was born in Ontario, grew up on a farm in Manitoba and then later served in Parliament from a riding in Newfoundland. Maybe he really did see Canada whole. He served under and was an adviser to three Liberal Prime Ministers, Mackenzie King, Louis St. Laurent and Lester Pearson. He also worked with and against, I suppose, and helped orchestrate the downfall of John Diefenbaker in the 1960s.

• (1510)

Mr. Pickersgill served as a member of the original rat pack, or the four horsemen as they were called then. His specialty was Question Period and I understand he loved it. He enjoyed the cut and thrust of debate and was perhaps the king of the one-liners.

He is referred to in many articles as, and I quote: “A master story teller and tactician with a razor wit.” That is certainly a good thing to have in this place. A good sense of humour does not do any of us any harm.

Let me just pay tribute again to Jack Pickersgill and say that our sympathy as the official opposition goes out to his family. We are grateful for someone who spent so many years in public life.

[*Translation*]

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, today, on behalf of my colleagues in the Bloc Québécois, I would like to offer my most sincere condolences to the family of Jack Pickersgill, who passed away on November 14.

Born at Wyecombe, Ontario in 1905, Mr. Pickersgill enjoyed a long and fruitful career on the Hill. He entered politics in 1937 as a secretary in the office of the Prime Minister of the time, Mackenzie King. He also served under Louis Saint-Laurent, who appointed him as Clerk of the Privy Council in 1952 and Secretary to the PMO.

In 1953 he moved from behind the scenes into an elected role as the MP for Bonavista—Twillingate, Newfoundland, the riding he represented until his resignation in 1967.

During his parliamentary career, Mr. Pickersgill held the positions of Secretary of State and Minister of Immigration. From his time in opposition from 1957 to 1963, we owe the axiom that one

should never ask a question without already knowing what the answer will be.

With the Liberals' return to power in 1963, he became Minister of Transport until he left the House of Commons to assume the presidency of the Canadian Transport Commission, where he remained until 1972.

On behalf of myself and my colleagues in the Bloc Québécois, I want his family and friends to know that they have every reason to be proud of all his accomplishments during a long and fruitful political career.

[*English*]

Mr. Lorne Nystrom (Qu'Appelle, NDP): Mr. Speaker, on behalf of our party I would like to say a few words in tribute to Jack Pickersgill who passed away recently.

As was mentioned before in the House, he was a very unique individual. Born in Ontario, raised in rural Manitoba and member of Parliament from the great province of Newfoundland. He was a very versatile person, a scholar, a public servant, a Prime Ministerial aid, an author, a cabinet minister and a very effective opposition parliamentarian.

He did not seek re-election in 1968 when I first came to the House, so I did not have any personal experience at seeing him perform in the House of Commons. However, when I arrived here I heard many stories about the effectiveness of Jack Pickersgill.

I suppose he was in the category of many of those extremely interesting parliamentarians of the 1950s and 1960s. I think of John Diefenbaker, Paul Martin, Senior, Tommy Douglas, Real Caouette and Jack Pickersgill, all very effective parliamentarians, the like of which we do not see often today in the House of Commons. They were members of the pre-television age in this place.

He was very effective in bringing Newfoundland into Confederation and became a very close friend of the first premier of that province, Joey Smallwood. He was an effective and passionate cabinet minister and perhaps his reputation is best known as an opposition parliamentarian when the Liberal Party was defeated in 1958 and 1963. He was a member of the so-called four horsemen, or the original rat pack in the House of Commons, and I understand that he often sparred with Prime Minister John Diefenbaker.

It is with a great deal of respect that I offer my condolences today on behalf of the New Democratic Party to his widow, Margaret, and his family. He made a tremendous contribution to Canada and the House of Commons. As did Stanley Knowles, Jack Pickersgill really loved this place and all that was best about it. With that, I want to extend our condolences.

• (1515)

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, in joining with other parties in the House today, I want to also extend

to Mr. Pickersgill's family, his wife, his children, his grandchildren, my personal condolences and the condolences of our party.

Anyone familiar with the history of Canada and the history of the House of Commons knows that Mr. Pickersgill was a giant. He, like all of us in this place, was a partisan and it should be stressed that he enjoyed partisanship and every dimension of it. I say this as a Progressive Conservative who represents a political party that was on the receiving end of that partisanship throughout his career.

Many members in this place know the distinguished writer Doug Fisher. He is a very distinguished member of the press gallery, someone who himself was a member at one point and sat in the House of Commons. Mr. Fisher called him "the liveliest, most cunning and partisan politician I have observed". What a compliment.

In that light perhaps I might observe the admission that Mr. Pickersgill made in his own autobiography that his middle name was Whitney. His middle name was given to him in commemoration of the Tory premier of Ontario, James Pliny Whitney who swept to power in Ontario in the year of Mr. Pickersgill's birth.

Mr. Pickersgill not only practised politics, he wrote about them. I have particularly noted his account of the revival of the Liberal Party, a book he wrote entitled *The Road Back*. Apart from the story of the rebuilding and renewal of his party, one is struck by the wonderful material that Mr. Pickersgill and his contemporaries on both sides of the House also provided for many of the great political cartoonists in Canada in that period.

In his last book *Seeing Canada Whole*, he summed up his public and private life. The title therefore has great meaning, seeing Canada whole. He played an important part in the entry of Newfoundland and Labrador into Confederation.

At the end of his life, Mr. Pickersgill was still working passionately to help Canada keep whole with his active support in particular of the Meech Lake accord. In fact he joined with the Hon. Robert Stanfield to urge adoption of this accord in testimony that he offered in front of the Senate of Canada. This testimony will forever remain a very significant part of the public record in this country. His defence of his position in his book is instructive and an inspiration to those who do not know, or easily forget or sweep away what has been the history of this great country.

How did he see his own parliamentary career? His assessment is that he achieved a few things, or at least contributed to a few things that he felt may not have happened otherwise. One was the provision of unemployment insurance for fishermen. The other one was the provision of a place in Canada for 35,000 Hungarian refugees who became exemplary citizens. He also said, "I was never bored by Parliament. I would try again". If only we could have persuaded him to run again, I am sure he would have been elected.

Government Orders

His assessment though is far too modest. I think we all recognize today that Canada has truly lost a giant.

GOVERNMENT ORDERS

[Translation]

POSTAL SERVICES CONTINUATION ACT, 1997

The House resumed consideration of the motion that Bill C-24, an act to provide for the resumption and continuation of postal services, be read the second time and referred to a committee of the whole.

The Acting Speaker (Mr. McClelland): The hon. member for Jonquière has five minutes for questions and comments. Any questions or comments? Resuming debate. The hon. member for Champlain.

• (1520)

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, I am pleased to rise in this House today to speak on Bill C-24, an act to provide for the resumption and continuation of postal services.

At the outset, let me say that the hon. members have to vote on Bill C-24 today because of the incompetence of this government. Let me explain.

When negotiations started, in April, we suspected the government's intentions with regard to Canada Post. The Radwanski report on the future of the Canada Post Corporation, tabled in October 1996, hinted at what the government's priorities were concerning the future management of the corporation.

The report is clear. It reads, on page 4, and I quote: "Canada Post is operating under the constraints of a collective agreement whose provisions, particularly with regard to pay for time not worked, flexibility and job security, are completely out of line with the new realities of today's workplace. The financial consequences of these provisions pose a serious threat to the eventual viability of the corporation and hence to the future of all its employees."

This is the basis on which the government plotted its course of action in the postal dispute. From then on, everything became a matter of cost-effectiveness. In co-operation with the corporation's senior management, the government set targets in terms of cost-effectiveness and commercial results.

These were easily agreed to since the government had made sure to appoint its friends to the board. Everyone knows that the president today is none other than the hon. André Ouellet, former Minister of Foreign Affairs in the Liberal government.

Government Orders

So there was no problem digging into the Canada Post surplus to reduce the federal deficit.

Of course, such an objective could not be achieved without cutting jobs, without reducing employee benefits, without reorganizing the work done by letter carriers, and I could go on.

That is exactly the result sought and achieved with the introduction of Bill C-24.

Events started to unfold more clearly as soon as the postal workers' collective agreement expired last June. The government's strategy was simple: let things drag on, make sure that negotiations are going nowhere and push the postal workers to strike just as the holidays are approaching. At this time of the year, it is easy for the government to justify the early introduction of special back to work legislation, and that is what it did.

For the minister responsible for the Canada Post Corporation, the agenda has been set since last August. The Canadian public knows today that the minister stated that the strike would be short and that back to work legislation would be quickly introduced. It was at a meeting held last August 6 with the president of the Canadian Direct Marketing Association and other large mail users that the minister revealed his intentions.

I am not inventing anything. The details of that meeting are clearly set out in a memorandum released by the postal union at a press conference in September.

Obviously, the government and especially the minister found themselves in an embarrassing situation when the content of that memorandum was revealed. There is no doubt about that. In fact, on September 8, the national union president sent a copy of this memorandum to Prime Minister Jean Chrétien.

The union had provided proof that there was collusion between the government and the large mail users. That is outrageous.

The large mail users are already benefiting from the lowest postal rates in the world. To preserve these benefits, they supported the government so that it would reduce salaries and benefits for postal workers.

The minister responsible for Canada Post even prepared for a parallel service to deliver government cheques. Again, according to the famous memorandum made public by the union, the minister even declared that "this time, the social benefit cheques will not be delivered by postal workers during the strike, but by another unidentified delivery service that has already concluded an agreement with the government".

The government backed down on this when this other tactic intended to put pressure on the negotiators was revealed.

• (1525)

To cover up its mistake, the government finally accepted the offer sent by the union of postal workers to the minister responsible for Canada Post on August 7. A few days before the strike, it half-heartedly came around.

It has become obvious that the parties to the dispute are still far apart. But the evidence is there that the government bears a large share of responsibility for the breakdown in negotiations. The minister responsible for Canada Post promised to pass back to work legislation so as to put a wrench in the bargaining process. Well, he kept his promise. We now find ourselves debating Bill C-24, the result of this collusion.

Once again, the government has demonstrated its incompetence and lack of resolve. It has shown a complete disregard for the right to strike provided for under the Canada Labour Code, by forestalling any chance of successfully negotiating a real collective agreement. The government did everything it could to shift the blame for this strike onto the union. The Minister responsible for Canada Post said so himself. This is what it says in the memorandum from the Canadian Direct Marketing Association.

We in the Bloc Québécois asked the government on numerous occasions not to interfere in the postal dispute. It was up to the two parties to negotiate a new work contract. Through its repeated interference, the government has made a mess of things. The government should not kid itself. The upshot of Bill C-24 will be unhappy people and considerable dissatisfaction on both sides.

At the end of the road, the deterioration in postal service will once again hurt the public. There has even been talk of civil disobedience by postal workers. We have the government to thank for this.

Consideration of Bill C-24 shows clearly that the government has chosen to favour the employer's objectives over those of the union.

Canada Post Corporation is going to become a cash cow for the government. The bill represents much more than the end of a strike. It is also an insurance policy guaranteeing that the corporation will also be a increasing source of revenue for the government's consolidated revenue fund.

There is no getting around it, the government has put itself in a conflict of interest situation in the negotiations. Now, it will make huge profits of \$200 million over five years through the corporation, thanks to the savings that will result from implementing of Bill C-24.

The Bloc Québécois is in favour of resolving labour disputes through negotiation. Imposing working conditions through special legislation does not solve the basic issues.

Government Orders

I agree that the postal strike has a devastating effect on the country's economy. Businesses, particularly small and medium size businesses in Quebec, are deeply hurt by the lack of postal services. Customers are late paying their bills and suppliers do not get the money owed to them. The strike has cost millions of dollars. All this would not have happened had the government acted in good faith and had it not interfered in the negotiations. The government planned the outcome well in advance.

For all these reasons, the Bloc Québécois is opposed to Bill C-24, which forces postal employees to go back to work, in spite of their legal right to strike.

[*English*]

Mr. Howard Hilstrom (Selkirk—Interlake, Ref.): Mr. Speaker, the railroads had a lot of contracts in the fifties, sixties and seventies which ended up with very high rates of pay and other union-type clauses in them. This has resulted in rail lines in Manitoba being abandoned due to the high cost of operation. The postal service has to ensure that it does not end up in the same situation of pricing itself out of the market.

I would ask Bloc members to advise me and other members of the House how long they would have allowed this strike to continue. Indefinitely?

[*Translation*]

Mr. Réjean Lefebvre: Mr. Speaker, it will not take me very long to answer the hon. member's question.

I believe that, when the government has a choice between promoting job creation and increasing its capital, it opts for its own financial interests, at the expense of the workers.

• (1530)

It made this choice in other areas, including employment insurance, at the expense of the unemployed. Remember the rail strike. I think the government is more interested in putting billions of dollars in its pockets than in resolving conflicts through special legislation.

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, in spite of the unfortunate circumstances that led to this debate, I want to tell you how proud I am to be the minister responsible for the Canada Post Corporation.

Canada Post is one of our country's most important institutions. It was among the first departments to be established after Confederation, in 1867. Afterwards, it evolved in harmony with Canada and kept pace with it, while also being a reflection of our nation.

The Canada Post Corporation delivers 11 billion items of mail every year to the 12 million addresses in its register, thus acting as a link between us and between our communities.

Some small communities in our great northern regions are totally dependent on postal services, not only for mail, but also for the delivery of drugs, food and other products essential to their survival.

Canada Post, which became a crown corporation in 1981, is now the fifth largest Canadian business, with sales of \$5 billion and more than 54,000 employees. The cost of a stamp to send an ordinary letter is the second lowest in the world, and it is frozen for the next two years.

The service provided by Canada Post is often criticized in our country, but it compares very favourably to that of all other postal administrations in the world. Still, our postal service, like our whole society, is going through a period of intensive changes.

Faced with the massive expansion of new technologies such as fax machines, electronic mail and the Internet, Canada Post must make changes or else it will disappear. What used to be the *raison d'être* of the postal service, namely mail delivery, now accounts for only 55% of the corporation's activities. Nowadays, 45% of all Canada Post operations are based on modern and competitive products.

It is this approach, this modern vision of our postal services which led to the labour dispute we are dealing with today. Normally, seven months of negotiations and three resourceful mediators and conciliators working on the issue should have produced the agreement we were seeking. This is what happens in more than 95% of all labour disputes in Canada.

What is even more surprising is that the Canada Post Corporation has signed agreements with its three other employee unions. Why is it that things are always so difficult with the postal workers and letter carriers?

After spending months carefully studying of this situation, I must say that the Canadian Union of Postal Workers refuses to recognize some undeniable facts. The best case in point is the possible privatization of the Canada Post Corporation. I said it, I repeated it in all languages and I say it again: Canada Post is not for sale, not today, not tomorrow and not in any foreseeable future. Both former ministers repeated it over and over again. In spite of all that, the union keeps on frightening its members and the public with this threat of possible privatization.

This decision was not made lightly. It was confirmed by the government last April, after a complete review of the terms of reference of the Canada Post Corporation. Public hearings were held in all regions of the country and then a complete report was issued. The conclusion was very clear.

In a country such as Canada, whose landmass is so great and population so widely dispersed, no private system will ever be able to provide a universal service for a reasonable price.

Government Orders

• (1535)

For the last ten years, the Canada Post Corporation has not received any public money and we have to make sure it never again becomes a burden for the Canadian taxpayer.

First, the government decided, last spring, to give the corporation the means to ensure its long term viability.

[*English*]

Last April the government directed Canada Post to offer Canadians universal postal service at a reasonable price, institute more transparent reporting and the highest standards of business practice, achieve financial performance consistent with the private sector regulated monopolies, continuously improve letter mail and retail service especially in rural Canada, respect stamp price freeze for two years and then maintain stamp price increases below inflation, ensure no cross-subsidization from exclusive privileged products, create an ombudsman position, and recognize these principles in labour negotiation.

Canada Post has already moved on many of these items. It has opened its books and published its annual report. It has appointed an ombudsman and it has demonstrated that there is no cross-subsidization between its exclusive products and the competitive ones.

Over the past several months Canada Post has also committed significant resources to transforming and improving postal service in rural Canada. The result will be faster, more reliable and more predictable service in rural Canada.

Beyond these specific initiatives there is an urgent need for the corporation to address service improvement at a more basic level. This is why it has become a key factor in the current negotiations. In its current form the collective agreement is a major barrier to making the service improvements customers are demanding from Canada Post.

In an independent evaluation, Gordon Ritchie, well known as the deputy chief negotiator of the Canada-U.S. Free Trade Agreement, said:

The Canadian Union of Postal Workers has been remarkably successful over the past 23 years in arrogating to its members the lion's share of economic rents from the Canada Post monopoly.

Recent polls show that around 85% of Canadians believe that Canada Post employees generally have good working conditions especially with regard to pay and benefits.

Ritchie came to this conclusion:

The existing Canada Post Corporation collective agreements constitute what is arguably the most uncompetitive and inefficient labour agreement currently in place in any jurisdiction in North America.

He also specified:

Excessive wages are not the main problem.

Pay for time not worked is an even more substantial direct cost burden.

The most costly provisions over the long run are probably those restricting the Canada Post Corporation's ability to terminate, to redeploy or to employ more efficiently its huge workforce.

[*Translation*]

This is precisely what is at the heart of the present dispute. Canada Post must be able to adjust its work force to its needs. Let me illustrate this point with a concrete example.

Last spring, the corporation started a reassignment process for 47 of its Toronto employees who were surplus by following to the letter the provisions of the collective agreement.

There is a very complex process whereby employees can apply, according to seniority, for vacant positions. After seven months, the corporation had managed to reassign four of the 47 employees.

Still according to the established process, management will be able during the next few months to reassign the others to vacant positions. This staff movement will have, in the end, involved hundreds of personnel. And altogether it will have taken a year.

Moreover, in most cases the reassigned employees need training to perform their new duties, which means their productivity is lower for a long time.

• (1540)

Obviously, the yoke in which the management of Canada Post must work involves operating costs that have a considerable impact on the competitiveness of the corporation.

The current collective agreement that binds Canada Post and the Canadian Union of Postal Workers contains dozens of clauses that are equally inconsistent with the competitive world in which the corporation must operate.

It is only for this reason that the bill before us today requires the mediator-arbitrator to "be guided by the need for terms and conditions of employment that are consistent with those in comparable industries in the private and public sectors and that will provide the necessary degree of flexibility to ensure the short- and long-term economic viability and competitiveness of the Canada Post Corporation".

We also ask him to take into account that the corporation must, without resorting to undue increases in postal rates, perform financially in a commercially acceptable range, operate efficiently, improve productivity and meet acceptable standards of service.

Employee pay and benefits account for 63% of Canada Post's operating costs. The most surprising thing is that too much of this

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goes to unproductive employee activities. But this should not in any way be seen as blaming Canada Post's employees.

Indeed, the vast majority of them are devoted and qualified workers. Rather, the flaw comes from an obsolete system that badly needs modernizing.

For example, every day, the 16,000 letter carriers spend an average of 16 minutes on a bus or in a taxi to go back to their depot at lunch time. They do not have the right to eat on the road, even though this would suit them better. Their collective agreement forbids it.

If we only allowed those who use a motor vehicle to eat on the road, the corporation could save \$8 million a year. But this is not allowed either by the current collective agreement.

On September 15 of this year, the Post Canada Corporation submitted a comprehensive offer to the union. In exchange for concessions on human resource management issues, Canada Post has offered pay increases of 1.5% for each year in the contract, the creation of 500 full time positions and the preservation of full job security for those who already have it.

A few weeks later, in order to prevent a strike, Canada Post waived some of its demands, improved its pay increase offer and accepted a union demand on overtime carrying a cost of \$35 million a year. The union refused again.

As I said earlier, this labour conflict is in a class of its own. As the labour minister has so ably demonstrated, the Government of Canada has done everything it could to create a climate conducive to a negotiated settlement.

Three experienced mediators and conciliation officers have helped the parties with all their skill and expertise. We have given the bargaining process every opportunity, but all to no avail.

In the meantime, hundreds of small businesses have experienced difficulties. Hundreds of men and women have lost their jobs. Dozens of charities have been deprived of their principal means of collecting the donations they need for their activities.

I have received personally over 2,000 messages from postal service users throughout the country begging the government to step in.

This strike has already been the cause of major damage to our economy and our social fabric. That is why we had to resort to back to work legislation. We are not doing it lightheartedly but because we feel this is our responsibility. We acknowledge this is not a perfect solution. This conflict, like previous conflicts, will leave scars. Many customers will not go back to Canada post. In the absence of postal services, they have found alternatives, and often permanent ones. That is what have done for over a million

recipients of our various social program benefits who have chosen direct deposit in the last few months. Those postal revenues are lost forever.

• (1545)

To prevent such conflicts in the future, mentalities must definitely be changed and more efficient mechanisms developed to manage labour relations at Canada Post.

That is why, in the next few months, I intend to undertake serious research to find instruments better suited to the realities and imperatives of the Canadian postal system.

Some progress is already obvious. For the first time in history, Canada Post completely suspended its operations and did not use replacement workers. This is a first step in the right direction. Many others will be needed.

In the meantime, I urge all my colleagues to support this legislation for the speedy resumption of postal services, which will greatly help our small businesses, our charities, and all Canadians.

[English]

The Acting Speaker (Mr. McClelland): Questions and comments. I would ask hon. members to keep their questions and responses short as there is quite a lot of interest.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I guess you could see right into my mind as I have many questions for the minister.

First I would like to comment on the fact that in his speech the minister stated that there was an openness in the accounting of the post office and that there is no evidence of cross-subsidization between regular first class mail, ad mail and the Purolator courier business. As a matter of fact, that is not accurate. The books of Canada Post do not clearly show the separate accounting of those arms of the post office. Consequently, the statement the minister made is really not accurate.

I would also like to ask the minister to comment on a second point, one of process. It is very intriguing to me that after weeks of hesitating to intervene, now the government has gone overboard and intervened to the point of stating wage increases and the dates they are effective. That is wrong. Back to work legislation should say that there may not be a strike until there is an agreement and then there should be a mechanism to force the parties together with a mediator or arbitrator which should be binding.

If the minister has time, I would also like to know about any long term plans they have, which I doubt, after this thing is settled.

Hon. Alfonso Gagliano: Mr. Speaker, I do not think the time of the House would allow me to prove to the hon. member that there is no cross-subsidization. Definitely I will send him the appropriate documents so he can see them.

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In terms of future plans, I stated in my speech that after this thing is over, and naturally this is not something anybody takes pride in but we have to restore the service. There is nothing new, as a lot of people know. In the past when trying to modernize the system, management and labour relations at Canada Post have been very turbulent. We have to go to the root of the problem and definitely look at it in a different way which we have done. The last strike was in 1991. Each time the government gives a mandate to make sure that Canadians can rely on a universal postal service, the union reacts differently.

I hope once the Minister of Labour appoints a mediator that we can have normal relations which we have always sought to have with the administration of Canada Post. As I said, I will research other ways, other avenues so that the next time around Canadians will not be faced with what they have had in the past 13 years.

[Translation]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, according to the minister, they will make \$200 million a year in profits. Will the minister stop at \$200 million or will he be greedy and go up to \$300 million or \$400 million?

• (1550)

Why are the minister and the corporation not willing to invest these hundreds of millions of dollars to provide more services to the public and to maintain a healthy relationship between the corporation and its employees?

Hon. Alfonso Gagliano: Mr. Speaker, I listened to the speech made by the member earlier. Unfortunately, the member wants to see only one side of the issue.

The government's mandate is clear. The government wants a commercially viable corporation. Yes, we want Canada Post to make profits to pay for its employees' salaries and to continue to provide Canadians with reasonably priced services.

The member is forgetting to indicate that the government has decided not to close rural post offices because we want all Canadians, wherever they live, to receive the same level of service as those who live in urban areas. He should also note that we have told Canada Post it cannot increase the price of stamps for the next two years. This is so Canadians do not have to pay for an increase in the cost of postal services. After two years, the corporation will be allowed to increase prices by less than the inflation rate.

Of course this is a government decision. We could have made another decision. We made this one because we want to guarantee universal postal services in Canada, from coast to coast. We think this mandate will help us reach that goal. We are asking employees to sign, as did three of the four unions at Canada Post. We are asking the Canadian Union of Postal Workers to sign.

Unfortunately, we reached a deadlock and had to bring in back-to-work legislation, but we would like the parties to sit down and look for solutions so that Canadians can continue to enjoy postal services that are among the best in the world.

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I listened very carefully to the minister's speech. I am glad to say that at least in some of the preamble in the early part of the speech there were things I was very pleased to hear.

First, there is a recognition that Canada Post is actually doing a very good job in delivering unbelievable quantities of mail across the country. Productivity has increased. Mail delivery access to individual homes has increased 30% and profits are up to \$112 million. Given there was an increase in productivity and an increase in profits, Canada Post Corporation saw fit to offer a reasonable wage increase during the negotiations.

My question to the minister would be how can the government justify in the legislation we are dealing with today the fact that the wage offer that will be bound in this legislation is actually lower than the wage offer Canada Post had offered its employees during the rounds of bargaining? Can we get a comment from the minister to that effect, please.

Hon. Alfonso Gagliano: First of all, Mr. Speaker, if the member looks at what is in the bill, it is very close to the final offer Canada Post made to its employees.

Let me address that issue and I thank the member for giving me the opportunity on how the offer came about. This was an offer from Canada Post. The House will recall very well that the union was saying in those days that they would go on strike illegally. Hearing those rumours, most of Canada Post's customers were not putting their mail in the boxes.

The president, Mr. Clermont, called Mr. Tingley and said, "The volume of business is melting like snow in springtime. Maybe we should sit down and try to solve this because, yes, we are going to lose our shirt at Canada Post, but your members might lose their jobs". That is why Canada Post went to the negotiation table in good faith and gave some concessions to the union that it was asking for before and made a better financial offer. Again the union turned it down.

Since that offer, Canada Post has lost \$17 million a day. If we count the number of days of the strike and if we count the loss that Canada Post incurred two weeks before because of the rumour that there would be an illegal strike, the financial loss is greater than anything that could be in this bill we are talking about today.

Mr. Jean Dubé (Madawaska—Restigouche, PC): Mr. Speaker, if there is one thing we can say today to the hon. minister, it is that it is about time.

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• (1555)

Millions of dollars have been lost by charity groups, businesses and others who are a vital part of our society. What do we say to these people?

The hon. minister mentioned that he will start discussions for different mechanisms to avoid this in the future. I ask the minister who will participate in these discussions, government, unions, business, charity groups? Does his department have any ideas of different mechanisms that he would suggest can be put in place?

Hon. Alfonso Gagliano: Mr. Speaker, as I said in my speech, I would like to look at the situation. We need to research. If I had a solution that I would be sure would work, I would have announced it today. What I want to ask after we restore service to Canadians is different.

I thank the member for his question. Not only the minister and his officials but there are Canada Post officials, the union and other businesses, big and small, and researchers, people in the universities who look at postal relations.

We have a situation where 55% of the business of Canada Post is a monopoly and 45% competes directly with private sector businesses. The question we have to ask ourselves is should we continue? How do we balance that 45% and 50%? Should we have the right to strike and a monopoly? What about the competition with the private sector?

It is a very complex question. I hope to ask some experts of different backgrounds and have them propose some solutions which we can implement. Then the next time the collective agreement is ready to expire we can have a negotiated settlement and not a recourse to disruption of services that is very costly. Canadians like their Canada Post services all across the country.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I realize I have only a few minutes. There are just a few points I would like to make. How much time do I have Mr. Speaker? I thought I had only a few minutes.

The Acting Speaker (Mr. McClelland): The member is correct. The debate concludes in three minutes.

Mr. Bill Blaikie: What I wanted to do, Mr. Speaker, was reflect on the irony that back to work legislation sometimes brings to this place. It seems to me, having been through a number of these back to work legislation debates, that Parliament is both at its worst and at its best in these back to work debates. It is at its worst because we see a tendency on the part of the government to want to bring out the heavy procedural artillery.

The government was prepared yesterday to move a motion, Motion No. 8, which really amounted to a form of super closure. On reflection, all opposition parties and perhaps even the govern-

ment, would want to reflect on the ultimate receivability and appropriateness of such motions.

We have ordinary procedures for dealing with legislation, ordinary procedures which provide for various forms of time allocation and agreement among the parties. Yet when we get into a situation of back to work legislation, all of a sudden all of that is suspended. What was sad yesterday was that certain of the opposition parties were willing to let their rights be trampled in this way without so much as even asking for something in return.

We objected but we were in a position where we were trying to come to an agreement with the government in order to make sure that this back to work legislation, as unacceptable as it is, would be better than it might otherwise have been had we not entered into negotiations with the government. We have an understanding that a certain amendment of ours with respect to the mandate of the mediator-arbitrator will be accepted when we get to committee of the whole. The legislation as a result will be much fairer.

That does not take away from the fact that Motion No. 8 as it was presented and ultimately carried by the government is a form of super-duper closure to which all of us should take great offence. Not enough offence was taken yesterday in the context of what went on.

• (1600)

I guess that is the only thing I will get a chance to say because I see you rising, Mr. Speaker. That is unfortunate because there is much more I would like to contribute to the debate.

The Acting Speaker (Mr. McClelland): It being 4 p.m., pursuant to order made earlier today it is my duty to interrupt the proceedings and to put forthwith every question necessary to dispose of the second reading stage of the bill now before the House.

The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. McClelland): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. McClelland): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. McClelland): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. McClelland): Call in the members.

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● (1630)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 48)

YEAS

Members

Abbott	Ablonczy
Adams	Alcock
Anders	Assad
Assadourian	Augustine
Bachand (Richmond—Arthabaska)	Bailey
Bakopanos	Barnes
Beaumier	Béclair
Bélangier	Bellemare
Bennett	Benoit
Bernier (Tobique—Mactaquac)	Bertrand
Bevilacqua	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bradshaw	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Brison
Bryden	Bulte
Byrne	Cadman
Calder	Cannis
Carroll	Casey
Casson	Catterall
Cauchon	Chan
Charbonneau	Charest
Clouthier	Coderre
Cohen	Collenette
Comuzzi	Copps
Cullen	Cummins
DeVillers	Dhaliwal
Dion	Discepola
Dromisky	Drouin
Dubé (Madawaska—Restigouche)	Duhamel
Easter	Elley
Epp	Finestone
Finlay	Folco
Fontana	Forseth
Fry	Gagliano
Galloway	Gilmour
Godfrey	Goodale
Gouk	Graham
Gray (Windsor West)	Grewal
Grey (Edmonton North)	Hangar
Hart	Harvard
Harvey	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hubbard
Ianno	Iftody
Jackson	Jaffer
Jennings	Johnston
Jones	Jordan
Keddy (South Shore)	Kerpan
Keys	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Knutson
Konrad	Kraft Sloan
Lastewka	Lavigne
Lee	Leung
Lincoln	Longfield
Lowther	Lunn
MacAulay	MacKay (Pictou—Antigonish—Guysborough)
Mahoney	Malhi
Maloney	Manley
Manning	Marchi
Mark	Marleau
Martin (Esquimalt—Juan de Fuca)	Massé
Matthews	Mayfield
McCormick	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McNally	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Mills (Red Deer)	Minna
Mitchell	Morrison
Muise	Murray
Myers	Nault
Normand	Obhrai
O'Brien (London—Fanshawe)	O'Reilly
Pagtakhan	Pankiw

Paradis	Parrish
Patry	Penson
Peric	Peterson
Pettigrew	Phinney
Pickard (Kent—Essex)	Pillitteri
Pratt	Proud
Provenzano	Ramsay
Redman	Reed
Reynolds	Richardson
Ritz	Robillard
Rock	Saada
Schmidt	Scott (Fredericton)
Serré	Shepherd
Solberg	Speller
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Stinson	St-Julien
Strahl	Szabo
Telegdi	Thibeault
Thompson (Charlotte)	Torsney
Ur	Valeri
Vanclief	Vellacott
Venne	Wappel
Wayne	Whelan
White (Langley—Abbotsford)	Wilfert
Wood—201	

NAYS

Members

Alarie	Axworthy (Saskatoon—Rosetown—Biggar)
Bachand (Saint-Jean)	Bellehumeur
Bergeron	Bigras
Blaikie	Brien
Canuel	Chrétien (Frontenac—Mégantic)
Crête	Dalphon-DuGirard
Davies	Debien
Desjarlais	Desrochers
Dockrill	Dubé (Lévis)
Dumas	Earle
Fournier	Gagnon
Gauthier	Girard-Bujold
Godin (Acadie—Bathurst)	Godin (Châteauguay)
Guay	Guimond
Hardy	Laliberte
Lalonde	Laurin
Lebel	Lefebvre
Lill	Mancini
Marchand	Martin (Winnipeg Centre)
McDonough	Ménard
Mercier	Nystrom
Picard (Drummond)	Plamondon
Proctor	Riis
Robinson	Rocheleau
Sauvageau	Solomon
St-Hilaire	Tremblay (Lac-Saint-Jean)
Tremblay (Rimouski—Mitis)	Turp
Wasylcia-Leis —55	

PAIRED MEMBERS

Anderson	Asselin
Baker	Bernier (Bonaventure—Gaspé—
Îles-de-la-Madeleine—Pabok)	Duceppe
Eggleton	Karetak-Lindell
Loubier	Marceau
Martin (LaSalle—Émard)	O'Brien (Labrador)
Perron	

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The Acting Speaker (Mr. McClelland): I declare the motion carried.

(Bill read the second time and the House went into committee thereon, Mr. McClelland in the chair)

• (1645)

The Deputy Chairman: Order. House in committee of the whole on Bill C-24.

Mr. Bob Kilger (Stormont—Dundas, Lib.): Mr. Chairman, I rise on a point of order. There have been discussions among representatives of all the parties. I believe you will find consent that all votes demanded shall be deemed deferred to 6.30 p.m.

I would add that if the debate goes on at committee of the whole stage until 6.30 p.m., we would have bells for 15 minutes. Should the debate collapse prior to 6.30 p.m., we would have 30 minute bells.

The Deputy Chairman: Is that agreed?

Some hon. members: Agreed.

The Deputy Chairman: Shall clause 2 carry?

(Clauses 2, 4, 5, 6 and 7 agreed to)

[Translation]

(On Clause 8)

Mr. Louis Plamondon (Richelieu, BQ): Mr. Chairman, I would like to move an amendment at report stage.

I move:

Motion No. 1

That Bill C-24, in Clause 8, be amended by

(a) replacing line 39 on page 3 with the following:

“subject to subsection (1.1), the Minister shall after the coming”

(b) adding the following after line 45 on page 3:

“(1.1) The Minister shall, in so far as it is possible, appoint a mediator-arbitrator who is satisfactory to the parties”.

If I may, I will take a few minutes to go into a little more detail on the reason for this amendment we in the Bloc Québécois wish to move, which requires the mediator-arbitrator to be satisfactory to both parties, that is labour and management.

It is self-evident that there are still many question marks about the pseudo-negotiation that has taken place in recent months, and in particular in recent weeks. Has there really been any true negotiation? This is all the more the case because we find some rather surprising things in sections 15 and 16 of the Radwanski report of October 1996. I will quote that report if I may.

In recommendation 14, the report says “That the government direct Canada Post Corporation to bring its labour costs under the collective agreement into line with the realities of the contempo-

rary Canadian workplace, through good-faith bargaining in the 1997 contract negotiations”.

This report already shows a tendency to legitimize the action of Canada Post for a hardening of attitude toward labour, and hence the necessity, in my opinion, for a mediator-arbitrator who is satisfactory to both parties, as I call for in my amendment.

Recommendation 15 of the 1996 Radwanski report reads as follows “That in the event of a failure of the collective bargaining process to achieve the necessary adjustments without service disruption, the government be prepared to take appropriate action to protect the immediate public interest and ensure the long-term financial soundness of a strategically repositioned Canada Post Corporation”.

• (1650)

So, recommendation 15 provides clearly that the government must be ready to demand, as soon as the union takes democratic action—because the right to strike is an acquired right and it is a democratic act to exercise it—home delivery service in urban centres providing letter carrier delivery, subject to the availability of resources, after giving priority to improving the speed and reliability of delivery.

So, having accepted the Radwanski report in October 1996, Canada Post latched onto recommendations 14 and 15 to create the appearance of negotiations. Subsequently, the statements by the Minister of Public Works were tendentious and surprising, to say the least, given that a responsible minister should want the parties to come to an agreement. What did he say? He said, rather than remain neutral, that the union was pretending to negotiate. He also said that there were many good reasons for the union to strike for more, and that it just wanted to strike.

Name me one worker, unionized or not, who wants to picket for weeks and lose his pay. This is quite surprising from the minister.

Therefore, given the minister’s statements and recommendations 14 and 15 of the Radwanski report, it seems to me that, if we are to be honest and objective, we must have a mediator-arbitrator acceptable to both parties. In addition, we heard about what I would call dubious support from the Canadian Direct Marketing Association. These are the people that deliver *Reader’s Digest*, and other publications. It gets a preferential rate. Canada Post is a partner in this company. Is it in conflict of interest then? So it was rather dubious for Canada Post to be giving Direct Marketing preferential rates and then asking it to give it support publicly as it opposed the potential strike by the union.

Why did Purolator also sign an agreement, and quickly I would add? Canada Post owns 75% of it. Did Canada Post place itself in a conflict of interest position by signing immediately and quickly with Purolator, which offered reasonable terms, and slowing down the negotiation process with its own workers because in the event

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of a strike it had access to a service that was cost-effective, as it was 75% owned by the corporation?

Why was the 1995 collective agreement signed before the previous one expired and why was it impossible to even sit at the table to negotiate this one? This is incredible. We must ask ourselves serious questions about Canada Post and its approach, hence the need of a mediator-arbitrator mutually agreed on by both parties, as suggested in my amendment.

It has also been rumoured that the government might possibly ask the Canada Post Corporation to pay \$200 million a year in dividends. There have been such rumours. This hinders the process or can give the impression that there is a government-Canada Post coalition to go for these dividends at the expense of the workers.

These reasons prompted me to suggest and truly hope that the selected mediator will be acceptable to both parties, bearing in mind that the Canada Post Corporation is not there to make profits. Its role is to provide a service, and the money it makes should be used to create jobs through delivery.

We know that, for some time, like some sectors in the Sorel area, any new postal sector no longer benefits from mail delivery service. Super mailboxes are used instead. There are also contradictions: in a small town like Saint-Joseph-de-Sorel, with a population of 2,000, mail delivery services are provided, while in a city like Nicolet, with a population of 7,000, there are none.

Why not use the profits generated to expand services, serve the public better and ensure at the same time that jobs are created for our children? What is the point of eliminating interesting jobs?

• (1655)

So in its struggle the union is not necessarily fighting for the protection of its own interests. In fact, this struggle is to prevent Canada Post from challenging the workers' acquired rights. In fact, it is a struggle for the right to work full time instead of part time.

This is what they are fighting for, and it is not only the postal workers who are benefiting, because they are the standard bearers for all workers in crown corporations and also in quasi-public corporations. They are in fact preventing Canada Post from falling apart by forcing it to continue to provide complete, personalized services.

We have seen post offices closed down, we have seen the super mailboxes. How far will this go? They want to eliminate part of letter carrier services. How far do they want to go? What is the future of Canada Post? It will become an organization whose profits are handed down to the government, as was done with

unemployment insurance, and then they will develop a technology that does nothing for job creation.

A fair arbitrator chosen by both parties is required. This is necessary because we have heard all sorts of messages during these so-called negotiations, including that \$1 million is saved for each minute that is taken from postal workers. All sorts of numbers have been thrown about, but Canada Post has not stopped directly attacking service to the public, a direct and full service, which is essential.

The consequences of the lost of jobs on small regions, in Quebec as elsewhere, are extremely significant. When there are five or six employees in my region, and then this group is cut to four, that is one job less for the young people who want to live in that region. But that is not the only job. Dozens of jobs could be created for young people in our towns, or communities, instead of concentrating the money in automated sorting centres which in fact provide poor service to the public with five-day delivery, instead of the one-day service we had before.

In conclusion, I would like to say that the choice of a mediator-arbitrator could allow this Parliament and its members to show on whose side they are. Earlier, the member for Abitibi, instead of defending the workers—a former union leader, and the member for Anjou, a former union leader of the CEQ—voted for the bill. It is incredible to vote for such a bill and to say “they are well paid”. But what do they want in their regions? Part time jobs paying \$6 or \$7 an hour? We want good paying jobs because it is with such jobs that car dealers, restaurant owners and businesses can sell their products.

What Canada Post is doing is distributing money. It should be remembered that Canada Post does not have a deficit. At the moment, it is showing a profit. This profit should therefore simply be distributed in the form of services to the public and of job creation.

That is why I am not afraid to state outright today, in conclusion to the amendment I am proposing, that I am on the side of my region, I am on the side of full time jobs and I am on the side of plain common sense.

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Chairman, I would like of course to correct somewhat the comments made by the hon. member for Richelieu. Given his experience, the member should not make statements which I would call gratuitous.

I never said that I wanted to make the union look bad. At the time I met the Canadian Direct Marketing Association, I also met the union leaders. I told them clearly that I recognized their right to strike. In fact, the member should realize that, for the first time in the history of the Canada Post Corporation, we have a strike with no violence on the picket lines.

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Mr. Louis Plamondon: It is not because of you, but because of the postal workers.

• (1700)

Hon. Alfonso Gagliano: Mr. Chairman, indeed, but the Canada Post Corporation did not hire replacement workers, even though it had the right to do so.

The problem on that side is that the Bloc Quebecois and the New Democratic Party have no objectivity and believe every word union leaders might say. They are at their mercy. I never made the comments attributed to me by the hon. member. I always defended the workers' right to strike. Postal workers have the right to strike. I also said that we must protect the interests of all Canadians, not just those of some like the unions and the large corporations. This is what we are doing today.

So, before making gratuitous statements or putting words in my mouth, the hon. member for Richelieu should be very specific and he should prove his claim, instead of relying on hearsay or on comments made by others. In this House, we must report things accurately, not rely on hearsay or on comments that others may have made. I hope the hon. member will have the courage to admit that what he reported in this House was actually said by others.

Mr. Louis Plamondon: Mr. Chairman, I do not want to start a debate on this, but I would simply like to say to the minister that, if he had listened to the news on television, he would have heard himself saying that the union was pretending to negotiate. That is plainly what he said on television.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Chairman, the debate on this clause is proof that our amendment is a good one. It says:

(1.1) The Minister shall, in so far as it is possible, appoint a mediator-arbitrator who is satisfactory to the parties.

It is important to note that, in the initial bill, it is the minister who does the appointing in a dispute, without saying who is wrong or right, whether it is the union or the employer. The basic principle is that the first job of the mediator-arbitrator—not just an arbitrator, but a mediator-arbitrator—we see this in subsection (2) of the clause, is to endeavour to mediate all the matters referred to in subsection (1) and to bring about an agreement between the parties on those matters. It is therefore very important that justice appear to be done, that those who come to the bargaining table, on both the employer and the union sides, feel they are able to put a minimum level of trust in the person appointed.

The Bloc Quebecois' amendment basically makes a lot of good sense. I think the government should receive it in this spirit. The purpose of the amendment is not to win a battle against the government, but to ensure better conditions, better labour relations in a milieu that has had a very troubled past.

The past history of Canada Post must be remembered. There have been difficult periods. In 1995, there was almost model bargaining. I went to Kanata, not far from Ottawa, with the president of the union and the negotiator, Philippe Arbour, to try to persuade the municipality to adopt mechanized services for letter carriers. This is not the stand unions usually take. It is a stand that would help people find a job and develop it in order to improve the quality of the service provided. So, the mediator-arbitrator appointed at this stage should try to define the working conditions. He should bring the parties to an agreement.

Earlier, when the minister spoke, I just listened to what he had to say. By taking part in this debate, I want to ensure the best relationship possible between the two parties and I think the government is wrong in not addressing the substance of the issue. In committee of the whole, we are trying to come up with the best legislation possible because Canadians and Quebecers alike want their postal service back, but a postal service that works. If the government is unable to take this issue seriously, we can.

Let us go back to the purpose of the amendment. The amendment is to simplify the legislation, where it says that the minister shall appoint a mediator-arbitrator. We agree that the minister can appoint the mediator-arbitrator, but we think that, as much as possible, the appointee should meet with the approval of the two parties involved. We just want to ensure the best conditions possible. We are also taking clause 9 into consideration. We have showed what is most important.

This is not a question and comment period. Unless I am mistaken, during this debate, every hon. member can have the floor and the others should listen to his arguments without trying to dispute them while the member is on his feet.

• (1705)

Going back to the issue, the mediator-arbitrator will have the mandate, under clause 9, to make very important decisions. If this clause is not amended, it will give the mediator-arbitrator the mandate to make certain decisions based on economic criteria where he will treat the Canada Post Corporation as if it were a private business. Doing away with the monopoly on letter distribution and doing away with rural post offices will take us straight to privatization. That is why it is absolutely essential that the mediator-arbitrator be recognized by the parties.

That is the Bloc's one and only objective, and we hope that, in this regard, the government will be responsible enough to allow all Canadians and the negotiating parties to ensure the future of the Canada Post Corporation.

[English]

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Chairman, not to interrupt the Bloc, but could I ask them to give consideration to the fact that there are 15 amendments in total and

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we are now half an hour into the allocated time. In an hour and 25 minutes we are going to have bells.

I know they have a point to make, but it would be nice if we could hear all of the amendments, including their other ones as well.

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Chairman, I just have a couple of comments.

I listened very carefully to what the Bloc was saying and I have great sympathy for the principle of appointing a mediator-arbitrator who is agreeable to both sides, but I would like to point out that this is an exceptional circumstance because it is the union versus the people of Canada. Canada Post is the people of Canada. It is a crown agency. It is the interests of the people of Canada that are at stake.

I have listened to the comments of the Bloc with great attention and great sympathy, but it does seem to me that one has to lean in the appointment of an arbitrator-mediator in this case to somebody who will look first to the interest of all Canadians rather than to the interest of the union.

Hon. Lawrence MacAulay (Minister of Labour, Lib.): Mr. Chairman, as Minister of Labour it is my responsibility to appoint the mediator-arbitrator and it would only make sense that I appoint somebody who would be fair to both sides.

I am quite willing to take names or suggestions from either party, but in the end the responsibility of appointing the mediator-arbitrator is with the Minister of Labour.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonnette, BQ): Mr. Chairman, I am a bit surprised to hear my friend from Saint-Léonard—Saint-Michel, with whom I have had the pleasure of working.

There is a contradiction because what the Bloc is saying is that, for the process to be successful, the person who will play the very important role of mediator must be trusted by both parties. It is the first requirement of labour relations. It is not only a matter of appointing somebody; that person must be trusted by both parties.

This is so true that when the member for Saint-Léonard—Saint-Michel was labour minister, his whole philosophy was aimed at changing the Canada Labour Relations Board, which will become the Canada Industrial Relations Board, where the parties will choose from a list of potential mediators. We all know that if neither party trusts this person, the process cannot end successfully.

I find the member a bit cheeky, and I say this as a friend, because he cannot rise in this House and say that negotiations were conducted in good faith. We saw disgraceful scenes that caused parliamentarians to blush when the chief government negotiator assaulted, just like another public person, his union counterpart in an unacceptable act of violence. I think this has to be pointed out.

Mr. Chairman, I will not let the Minister of Public Works get away with saying it was provoked. This is unacceptable in any circumstance. In negotiations, violence is not the way to a solution.

Negotiations are the expression of equality in which all parties attempt to look after their interests.

• (1710)

Can anyone in this House deny that bargaining was not in good faith? Bargaining was not in good faith because the playing field was not level. From the outset, this government gave assurances, should negotiations not prove successful, that it would force a return to work. That is the thing.

The Minister of Public Works says “The thing about this dispute is that there was no violence”. That is not what it was about; it was about not bargaining in good faith. But the government can redeem itself, show that it has a bias in favour of the workers and that it recognizes its past mistakes. In doing so, it must find expression through support for the Bloc’s amendment.

[English]

The Assistant Deputy Chairman: I should point out that we do have 15 amendments. Therefore, in the spirit of giving everyone a chance, let us keep our interventions brief and to the point.

Shall Motion No. 1 carry?

Some hon. members: Agreed.

Some hon. members: No.

The Assistant Deputy Chairman: The vote stands deferred.

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.) moved:

Motion No. 2

That Bill C-24, in clause 8, be amended by replacing lines 39 to 45 on page 3 and lines 1 to 37 with the following:

“8.(1) The union and employer shall select 3 people as possible arbitrators acceptable to them. The union and employer shall then have seven days to provide the other party with the names they have selected, along with their curriculum vitae. Each

receiving party shall select one name from the list submitted within seven days of receipt and notify the other part of their decision. The two selected arbitrators shall then have a maximum of 14 days to agree upon a third arbitrator who shall chair the arbitration panel.

(2) The arbitration panel shall therefore consist of 3 people, including the chair.

(3) Upon selection of the arbitration panel, each party shall submit their best and final position on each outstanding contract item within 30 days of the arbitrator's selection. The arbitration panel shall notify both parties in writing of the location at which final positions must be filed including the precise date and time of the deadline for filing.

(4) Failure to submit a final position within 30 days shall be considered an abandonment of the process and the other party's final position shall be accepted. If both parties fail to submit within 30 days, settlement shall be completed by binding arbitration.

(5) The arbitration panel may not divulge any details of either party's position to any party until a decision has been rendered.

(6) The arbitration panel shall consider each party's final position on all outstanding contract items as a single package unless it is agreed upon by both parties to the dispute to deal with outstanding items on an individual basis, or in specific groupings.

(7) During the deliberation period of the arbitration panel, each party shall be permitted one day, not exceeding 7.5 hours to make personal presentations to the panel.

(8) Each party shall be provided with not less than 5 working days notice of the time, date and location of their personal presentation. This notice may be provided during the interim submission period.

(9) The arbitration panel shall select the final position of the party whose position is most justifiable in accordance with the guidelines set out for the arbitration panel within 30 days of the filing deadline.

(10) The arbitration panel may not change or modify the position of either party.

(11) If, in the opinion of the arbitration panel, both parties are far removed from a justifiable position, the panel may provide both parties with notice to resubmit their final position. Where this is done, each party has 20 days to resubmit their final position. The arbitration panel shall again notify both parties in writing of the location at which the resubmission must be filed, and the precise date and time of the deadline for filing. No information on details of the first submission may be released before the final settlement is announced.

(12) If either party fails to resubmit their offer within the 20 day period, their last filed position shall be used by the arbitration panel.

(13) The arbitration panel shall select the most justifiable final position submitted within 20 days of the filing deadline for resubmissions.

(14) Within 30 days of the announcement of the successful submission, the arbitration panel shall submit a full report containing the final submission of both parties and a full point by point justification of the arbitration panel choice of the submitted offers.

(15) If the report was not unanimous, the dissenting panel member shall submit a minority report within the same timeline as the other panel members."

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Chairman, I would like to speak very briefly to this amendment which would put in

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place final offer selection arbitration to address the matter of pay schedules rather than having it done through an arbitrary manner.

Certainly when these matters arose in the House and during question period when we questioned the Minister of Labour, he stressed the need to have a negotiated settlement. We agree with him. We think a negotiated settlement far surpasses an imposed settlement any time. However, we also believe the use of final offer selection arbitration is a tool that can be used equally by both sides and is a very worthwhile tool that can be used in instances like these without having to use this method of back to work legislation, a method, I might add, that has come to be counted on by labour and management. It is less than a perfect situation at any time.

Mr. Jim Gouk: Mr. Chairman, I will just add very briefly to that. Contained in this amendment on final offer arbitration is a specific mechanism for the selection of what would be an arbitration panel. We will not go into all the details as it is available here and the vote on it will be deferred until 6.30.

It was mentioned in debate today. It provides a very specific mechanism for the selection of one arbitrator from the union side, one arbitrator from the Canada Post side and one jointly selected to be the third member and chair of the panel. It also provides very specific timelines in order to have the parties make their presentations. It also provides a mechanism for the panel to make a decision.

As I said, if any member wants a detailed reading of it, I would be happy to show them a copy between now and 6.30. It is also on file with the House.

The Assistant Deputy Chairman: The amendment is three pages long, quite detailed and is available at the table.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Chairman, we have been hearing a lot about this whole issue of final offer selection in the last couple of weeks. I think virtually everybody who has risen to speak on it first prefaced their remarks by saying there is no substitute for a freely negotiated settlement. I think we are all in agreement on that, even the mover of this amendment.

The whole idea of final offer selection is a choice that some people make in the course of labour management negotiations and it has its place in a very limited application.

● (1715)

As such, even in this round of bargaining, had the two parties agreed that it was a suitable way to resolve the issue they could have opted for it at any time in the process. Both the Canada Labour Code and the collective agreement in effect have provisions that if the two parties agree they may settle their outstanding issues

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by any type of binding arbitration. Final offer selection is only one of those types of binding arbitration.

I have personally used final offer selection as a union representative in the province of Manitoba. Final offer selection was law in that province for six or seven years. The NDP introduced it. It survived four or five years until the Filmon government was elected and then it was chucked out. As a union representative in the dozens of union negotiations I conducted we may have used it three or four times. In a limited application we see its use.

The whole premise is that when we have narrowed down all the outstanding issues to a couple of simple straightforward issues like money possibly the two parties could see fit to use it. Even in the province of Manitoba it was optional. Either side could make application to the minister to solve its outstanding issues either 60 days prior to a strike or 90 days after a strike. Those were the windows during which we could opt for this FOS.

United Food and Commercial Workers Union used it a lot. CUPE was vehemently opposed to the idea. The steelworkers played with it as did the carpenters union. I might have used it a maximum of five times over the course of seven or eight years.

Final offer selection had its origins in pro baseball and it is still used there. After the union negotiated all the outstanding issues except for money and the two parties still did not have the monetary package resolved, the employees put in their final offer and the employer puts in its last offer. The arbitrator can choose one or the other but not a combination of both. There is no cafeteria style shopping here. It is one or the other.

We should try to transpose that into the type of bargaining we see at Canada Post. Anybody with any sense of or any background in labour relations would see immediately that there would be pandemonium. It simply could not be done in negotiations that involved a complex set of rules of work or issues the current round of bargaining has been bogged down in. There is simply no way in the world that FOS would be useful, which is why the very experienced people at the table have chosen not to exercise their right to settle this round of negotiations with final offer selection.

To follow the recommendation put forward in this amendment and to institutionalize FOS so that all negotiations from hereon forward will be resolved by FOS would be absolutely ludicrous. It indicates to me a lack of knowledge of the subject. It is as if somebody stumbled on a new idea and decided to give it a whirl. There is media attention so the idea is being milked over and over again until most of us on this side of the House are sick of hearing about FOS. If I never hear the word again it will be too soon.

I speak very strongly against any such introduction. The only latitude we would see necessary in the Canada Labour Code would be in the ability of the two parties, should they see fit, to conclude

their negotiations through the process of binding arbitration. One of those offers may be final offer selection.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I will try to be as brief and as concise as possible.

For those listening, so that they may understand properly, the final offer means that the union and management sides each make an overall proposal, and the arbitrator, or in this case the arbitration board, decides which of the two will be accepted.

For the public sector, this means that things are greatly distorted from the start, because the union members will want to be sure that their final offer as possible is accepted. This exerts terrible pressure and so, finally, the union offer contains virtually nothing, to ensure it will be accepted.

• (1720)

On the management side, in the public sector, there is a lot of time ahead. Nobody is talking about cutting the salary of the chairman of the board at Canada Post if no agreement is reached, nor of its executive director. If such a situation existed in the bargaining process, perhaps agreement would be reached more quickly.

The final offer, particularly in the clause we have before us, is a nebulous and complicated matter, and one which create new labour relations law. I believe that we should make sure that special legislation does not create a precedent which could be applied to other sectors and systematically lead to interpretations which would harm good labour relations.

I am dealing with clause 9, which is a key clause. I hope that the House will come up with an amendment to clause 9 because as it stands now, if we have final offer selection on top of it, it would amount to telling the arbitrator or the arbitration panel "Now you are going to manage this whole thing, and look at it as if it were a private company, a totally private firm, and at the same time you will be looking for the best way to settle the dispute".

This would mean that to reach a settlement the union would have to accept working conditions similar to those in the private sector. We saw this kind of struggle at UPS in the United States. The union won because it convinced people of the need for regular workers, and permanent jobs. But with final offer selection, the union and workers involved would have been stuck with unacceptable conditions.

To conclude, the Reform Party's proposal may have been made in good faith, but in my view it is unacceptable because it is too vague and it does not provide both sides with a level playing field.

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[English]

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Chairman, I want to reply primarily to the intervener from the NDP who suggested that obviously we do not know anything about how FOS works and that we are out to lunch. I am not sure what little parlanes he used.

If anyone does not know what is going on it is him. We announced our proposal in detail. I know he was in the House at the time, but I do not know if he was listening or doing something else. Obviously he does not have a good grasp of what we proposed. We put it out in significant detail.

He suggested that FOS has a place but that we should not use it in this case because the union and the post office had an opportunity to select it and they did not. However he is backing arbitration. They had an opportunity choose it but they did not choose that either. Why is he backing that or, for that matter, anything else?

In this proposal they have an opportunity to bargain collectively and to negotiate. There is conciliation, mediation and any other form of settlement they mutually choose and agree upon, provided it does not end up in a labour disruption.

There has to be some final settlement when they say they cannot reach an agreement, cannot agree on how to settle the issue, cannot agree on an arbitrator, or cannot agree on tossing a coin or cutting the cards. If they cannot agree on anything there has to be some final resolution. That is why we are here tonight.

Whether it is final offer arbitration, straight toss of the coin arbitration or any other method, there has to be something. For the member to suggest that we cannot have final offer arbitration because they had the opportunity to choose that and did not he is saying in other words that we should not be here tonight.

I go back to the original question I asked him today which he did not answer. Why did members of the NDP agree in the first place to pass the motion and to fast track it unanimously? If they are so opposed to everything we are trying to do on behalf of 30 million Canadians, why are they even here?

Mr. Pat Martin: Mr. Chairman, maybe I can answer briefly.

The member from the Reform Party indicated that we are for arbitration but we are not for FOS. That is not clear. Nothing we have done should lead him to believe that we are voting in favour of back to work legislation or binding arbitration. In fact nothing could be further from the truth.

Yesterday when the government asked for unanimous consent to move speedy passage of the bill and not be faced with obstacles and stumbling blocks it got our unanimous consent.

The member from the Reform Party has no idea how we will vote on the back to work legislation and binding arbitration. I think

he could probably guess how we will vote on it. I can guarantee it will not be the same way he is thinking.

• (1725)

In terms of final offer selection we have read the member's outline in detail. Adding more pages to it does not give the idea any more merit. It was a flawed idea to begin with it. It was worth floating as a trial balloon but piling on the pieces of paper and raising it over and over again do not give a bad idea any more merit.

The Deputy Chairman: Shall the amendment to clause 8 standing in the name of Mr. Gouk carry?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Chairman: Pursuant to order the vote on the amendment to clause 8 is deferred.

We will now proceed to the two amendments to clause 9 standing in the name of Mr. Gouk and in the name of the member for Winnipeg Centre.

(On clause 9)

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.) moved:

Motion No. 3

That Bill C-24, in Clause 9, be amended by replacing lines 38 to 46 on page 4, and lines 1 to 12, on page 5 with the following:

“9. The arbitration panel shall be guided by:

- (a) cost of living index since the last contract settlement
- (b) average public sector increase
- (c) impact on postal service
- (d) financial impact of contract settlement
- (e) will settlement cause an increase in postal rates in excess of inflation since last adjustment
- (f) any change in job descriptions
- (g) public sector comparisons of any of the disputed items.”

He said: Mr. Chairman, my amendment removes one portion of specific guidelines included by the government to give directions to its arbitrator and replaces it with six points which give guidance in terms of the market, in terms of postal service, in terms of the cost of the settlement, average settlements within the public sector and so on to the arbitration panel as proposed by Reform.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I will be brief. The proposed amendment broadens even more the concept of arbitration panel we discussed earlier.

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It is even more vague and I believe this amendment must absolutely be rejected.

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): I will speak briefly, Mr. Chairman, to the amendment put forth on clause 9. The arbitration panel, in the minds of the Reform Party, should be dealing with a comprehensive list when it is making its ruling in the settlement of the case.

The list indicates that the arbitrator should be taking into consideration the cost of living index, the impact on the postal service, financial impact of contract settlement, and so on. We should be giving the arbitrator a free hand to make a ruling based on the terms, conditions and guidelines by which arbitrators are always bound and to take into consideration the local factors that would have an influence on that industry.

Outlining them again in any kind of copious detail does not add anything to the argument. Just like a constitutional statement or a statement of any kind, when adopting it like this it should be general in nature so as not to put guidelines on future arbitrators that would make it more difficult for them to bring down a ruling in a multitude of different scenarios.

This would be a very limiting provision to put in place, and we would certainly speak against it.

The Deputy Chairman: Shall the amendment to clause 9 standing in the name of Mr. Gouk carry?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Chairman: Pursuant to order the vote on the amendment is deferred.

We will now proceed to the amendment as proposed by the member for Winnipeg Centre.

Mr. Pat Martin (Winnipeg Centre, NDP) moved:

That Bill C-24, in Clause 9, be amended by replacing lines 38 to 46 on page 4 and lines 1 to 12 on page 5 with the following:

“9. The mediator-arbitrator shall be guided by the need for terms and conditions of employment that are consistent with the Canada Post Corporation Act and the viability and financial stability of Canada Post, taking into account

- (a) that the Canada Post Corporation must, without recourse to undue increases in postal rates,
 - (i) operate efficiently,
 - (ii) improve productivity, and
 - (iii) meet acceptable standards of service; and
- (b) the importance of good labour-management relations between the Canada Post Corporation and the union.”

[Translation]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Chairman, the Bloc Québécois has moved an amendment to this clause that provides that the arbitrator must maintain the parameters for a public service that must finance itself, which are currently set out in the incorporating act of Canada Post. The parameters provided by the minister to the arbitrator in the bill give him no choice.

• (1730)

Canada Post must be managed as a private business with terms and conditions such as the ones imposed on the private sector, while Canada Post is a public service under its own act. This wording shows that the government is asking the arbitrator to pursue the same objectives for negotiations as Canada Post, that is no increase in postal rates while reducing the costs to Canada Post. However, the only area where such reductions are possible is in manpower.

The corporation has been admitting since the beginning of its negotiations that its objective is to recover \$200 million on its manpower costs, which means the abolition of 4,000 positions. This indication from the government is not made at random. Indeed, the government expects that Canada Post will provide it with dividends of about \$200 million in the next few years.

Thus, when the government has the choice between creating jobs and increasing its capital, it chooses its own financial interests at the expense of workers. We have seen this choice being made in other areas such as unemployment where, at the expense of the unemployed, the government has been raking in money by the billions. We must also remember the famous rail strike.

[English]

Mr. Pat Martin: Mr. Chairman, more than any other clause I think in the legislative package that caught everyone's eye and that everyone was immediately drawn to was clause 9. There was very broad agreement among our caucus that this clause had to be amended in order to make the legislation fair, to not tie the hands of the arbitrator and to result in any kind of settlement that might have a lasting resolve to try to put back together the shattered labour relations environment at Canada Post.

We have put forward amendments to the legislation that we believe would still meet the goals of the government when it puts forward this language, but take away some of the language that we felt was overtly partisan or one-sided.

We had strong feelings that the arbitrator, if bound by the original legislation, would have no option really in bringing down their ruling. They would have no opportunity to consider all the normal factors that an arbitrator should be bound by because there

would be a preconceived outcome to the arbitrator's role by some of this language.

For instance, some of the language that we particularly objected to was the original language in clause 9(a)(i) where Canada Post would be bound to perform financially in a commercially acceptable range.

At first reading, that seems like a fairly innocuous statement. In actual fact, it would be an enormous policy shift for Canada Post in terms that it would be now bound. First of all, it is too vague because it does not say what sort of comparison, what is commercially viable. Second, it would be bound to a different way of conducting business forever.

Our feeling was that if the government is interested in changing a mandate of Canada Post or changing the Canada Post Corporation Act, it should be done through the front door with amendments moved to the Canada Post Corporation Act and not through the back door with back to work legislation.

This clearly went beyond what was necessary to get the employees back to work or to settle this round of bargaining. In fact, it read like a wish list for Canada Post.

The amendment that we are putting forward would still address all the legitimate concerns of the architects of this original clause but in a far more balanced way.

We would suggest that the real goal here is that the mediator/arbitrator shall be guided by the need for terms and conditions of employment that are consistent with the Canada Post Corporation Act and the viability and financial stability of Canada Post, taking into account that Canada Post Corporation must without recourse undo increases in postal costs, operate efficiently, improve their productivity and meet acceptable standards of service.

That really sums up what the goals and objectives should be for a well-run organization bound by the parameters of the existing Canada Post Corporation Act.

• (1735)

We would hope that the other parties see fit to support this as a way to make the whole system more balanced and more fair, and to preclude tying the arbitrator to any preconceived outcome before they even get a chance to deal with the issues.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Chairman, it is always a pleasure to speak under your supervision.

I wanted to say that this is a very important amendment because, if we go for the status quo, this is purely and simply neo-liberal

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waffle about efficiency without any reference to the true nature of the corporation. Believe it or not, the initial wording of this provision did not even mention—what gall, and I can see the House leader nod in approval—that it was a public service.

What is at issue today, which this amendment brings into focus, is of course that one can be unionized and at the same time believe in productivity. One can be an efficient unionized worker, a unionized worker who believes that sound labour-management relations are required if we want things to go well in the workplace.

Productivity does not come out of thin air. It comes with motivation in the workplace. To be committed to one's work, one needs to feel respected. In turn, this requires that one's day-to-day working conditions be negotiated.

This particular amendment, put forward by both the Bloc and the NDP—and hopefully others will support it too—very clearly states that, in order for this productivity to be achieved, there have to be sound labour-management relations. Labour-management relations may be considered as an acceptable requirement. We are saying that how the mediator-arbitrator makes decisions and brings both parties together will have to be a clear objective. It is important that we, as parliamentarians, have the courage to say and to reaffirm this. That is what this amendment encourages us to do.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Chairman, I will be brief. I want to say a word on the amendment proposed by the NDP, in co-operation with the Bloc Québécois. We are proposing this amendment following meetings with union negotiators who are concerned about the current wording of the bill.

They are concerned about the concept of private corporation, of business venture, since the *raison d'être* of Canada Post is to provide to the public a service that is meant to be very personalized, direct and efficient, with the help of its employees.

A short while ago, after my first speech, I received a telephone call in my office from a postal worker in Edmonton. He wanted to thank the Bloc Québécois for defending his interests. His first name is Ron. He told me "I voted for the Liberal Party the last time, but I wonder how its members, given what they were saying back then, can now introduce this legislation, which follows the same pattern as the negotiations did". By this he meant that the negotiations were biased from the beginning.

The government introduced a bill, supposedly to restore a public service, but the mediator's objectivity is already tainted, first because the government is appointing this person alone, instead of doing it through a consultation process and, second, because the mediator's mandate under clause 9 is in contradiction with the corporation's fundamental role. This is why the amendment must absolutely be supported by all the parties, to do justice to Canada Post employees, but also to reflect the corporation's actual role.

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Hon. Lawrence MacAulay (Minister of Labour, Lib.): Mr. Chairman, I agree with this amendment. Clause 9 as it will then be worded requires that the arbitrator be guided by the viability and financial stability of the corporation.

● (1740)

Let us not forget that the shareholders of the corporation are the Government of Canada and, ultimately, all Canadians. The government has given instructions to Canada Post. These instructions require that Canada Post make a certain profit. This is necessary to ensure co-operation, viability and stability.

The arbitrator will have to be guided by the instructions, the requirement to be profitable, in his or her mandate. As well, the arbitrator will have to balance good labour-management relations.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Chairman, I am very pleased to see that the government has finally decided to listen to the argument on clause 9. I said at the outset that this was a very important clause.

This amendment will mean that the rules of the game will stay the same at Canada Post during the next round of bargaining, the special round of bargaining resulting from this special legislation. This will perhaps go a small way towards repairing what was not done properly in this round.

We must congratulate ourselves on reaching this degree of unanimity. I hope that we can pass this amendment immediately here in committee, with the support of the Reform Party and the Conservatives. We must be able to show very clearly that there is unanimity in the House that it is not true that the work regime and the purpose of Canada Post will be changed through special legislation. The purpose of the special legislation is to resolve a labour relations problem, not the problems of Canada Post.

The present rules of the game must be respected. I call on Reformers and Conservatives to approve this kind of amendment and to approach it in the same spirit as the government.

[English]

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I want to make sure that we understand exactly what this amendment means.

First, I understand that the union—and it was confirmed by the Bloc member who just spoke—asked the NDP and the Bloc to put forward this amendment because of fear. I have said it many times.

The union has the fear that in the government's back pocket is the idea that it will privatize Canada Post. I repeat that the government has no intention of doing that. In French, in English and in Italian, the answer is no. I hope that is clear.

If it takes this amendment to have that assurance, then I am willing to accept the position of the Minister of Labour.

I would also note what the amendment adds. Yes, they put together certain words and then they added "consistent with the Canada Post Corporation Act", which is perfectly agreeable, "and the viability and the financial stability of Canada Post", taking into account all the other lines.

My English may not be good, so I will read it in French. In French it says:

[Translation]

"consistent with the Canada Post Corporation Act and the viability and financial stability of Canada Post".

[English]

Stability and financial viability for me means that any business, crown corporation or enterprise, to be financially viable and stable has to make a profit. Sometimes there are good days and sometimes there are rainy days. When a business does not make a profit, it needs the profit which it made the year before to ensure that the service will continue.

We want Canada Post to exist for years to come. It was the first institution in this country. We want it to continue to exist for a long time. We believe that Canadians should receive mail from coast to coast to coast. They should have a universal service and pay the same price wherever they live.

I agree with this amendment. However, financial stability and viability means that Canada Post has to be commercially viable. That is what the government did and what was mandated by the government. We told Canada Post very clearly that it had to freeze the price of stamps for two years and after two years it could increase it below inflation. We said not to close any more rural post offices.

● (1745)

We believe Canadians in rural communities have the right to a postal service. It is the only Canadian identity in those communities and we believe in that. In order to keep those services, we want improvements. For example, maybe the hon. members do not know but there was always this trouble that in a small community mail gets sorted in a big city before it comes back to be delivered in the small town. We changed that. Now the local mail is sorted locally and it is being delivered locally without going to the main city.

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Canada Post is making improvements because it believes and we believe in service. With this amendment that the government accepts, I hope the union and the NDP and the Bloc realize and take away this notion of privatization which does not exist. I said it clearly. The government said it clearly. And my predecessors have said it very clearly. I hope that with that it is clear. However it is also clear that Canada Post has to be a viable and stable corporation to serve Canadians. Therefore it has to make profits.

[*Translation*]

Mr. Louis Plamondon (Richelieu, BQ): Mr. Chairman, I just want to say that hearing the minister speak as he has just done pretty much confirms what I said at the beginning of my first intervention, which is that he takes himself for the President of Canada Post.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Chairman, I do not want the debate on this issue to go on forever, but I would like simply to point out one thing. This is not a vote that was accepted by the Bloc Québécois because the unions requested it, it is an amendment that is being moved. The government recognizes this by voting for the amendment, because if this was just an issue of union position, the government would be against it. Therefore, the government recognizes this.

When the two components of the amendment are considered, it is obvious that the government had not provided for such a change in its bill. If there had not been a proposal from the NDP and our support to ensure its understanding, I do not think that the government would have accepted it, and I congratulate the government today for having accepted it. But it should also be remembered that there are two components. It is said that the negotiations must be carried out in accordance with the Canada Post Corporation Act, and by taking into consideration the need for efficiency, for an increase in productivity, and for application of standards, but also the importance of good labour-management relations between Canada Post and the union.

In all this, it is not just an issue of unionism, it is not just an issue of management. For several years, people at Canada Post have been trying to build new labour relations. There have been experiments with a schedule to the agreement whereby mail delivery could be done by vehicle, and the postal workers' union has repeatedly requested that these measures be implemented.

Like the minister, I would like to emphasize that we have succeeded in saving rural post offices by reversing the Conservatives' policy of unscrupulously shutting down rural post offices. But this is not to say that in the bill that we will be voting on today, it is quite normal that negotiations be carried out under the Canada Post Corporation Act and not according to the rules of the market.

I think this is a victory not only for unionized workers and the union, but also for the employer and for every Quebecker and every Canadian, and I hope that with this, we will have a postal organization where, after the results of the negotiations, the environment will be increasingly better.

[*English*]

Mr. Nelson Riis (Kamloops, NDP): Mr. Chairman, I want to say a few words on this particular amendment.

I want to acknowledge the words of my friend, the minister responsible for Canada Post. He says this is really a clarification and what we are asking for is a clarification that the fundamental purpose and the fundamental role of Canada Post is to serve Canadians by providing first class mail service, not as a cash cow to the federal government. The point is not to make money on this operation to assist the government in one way or another.

Of course we support that principle and acknowledge the work done by the members of the Bloc and by the members of the New Democratic Party working with the government and the minister, and acknowledge the fact that he saw the appropriateness of this amendment. We appreciate that co-operation in order to make this legislation more palatable to all involved.

● (1750)

We cannot overemphasize the fact that the post office is here to serve Canadians. It is not here to make money. If we trace the fundamental problem that our post office faces, we will find that it goes back to the Mulroney era when this principle was introduced and the mandate went out to make money through Canada Post. Ever since that mandate was initiated some of the major problems began, and I know my friend the minister would nod in approval.

I would like to think that through this important amendment to this crucial piece of legislation we will perhaps see a rethinking of some of the priorities when it comes to service and profit.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Chairman, I would just like to add a few words in support of what has been said by my cabinet colleague, the minister responsible for Canada Post.

I have just heard something said across the way that I do not believe relates to reality. First, the amendment we have before us speaks of the financial viability of Canada Post. It speaks of principles such as productivity, operating efficiently, and so on. This could apply to any corporation. My colleague has stated very clearly that by financial stability and viability the government means that Canada Post must operate in a manner consistent with comparable industries in the private and public sectors. It must operate that way.

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Let us look at the reality. Seven years ago Canada Post was not operating in the competitive sector as it is today, not because we have changed anything but because society has changed. Fax machines, telecommunications equipment, the Internet, electronic transfer of data and finances, and so on are a reality. We must all operate with that in mind.

I would like to add that Canada Post must have sufficient flexibility to manage in a competitive environment. If it does not, it will lose customers to other businesses. Obviously it has to operate that way. Then of course if it does lose business to other enterprises, jobs will be lost and nobody wants that.

In order to do all this, any corporation has to make an acceptable financial return on equity. I heard a colleague across the way refer to Canada Post as a cash cow when it makes, I believe, something less than 2% return on equity. Is that a cash cow? My colleagues who are learned in accounting would say that anything less than approximately 10% return on equity would not be a very profitable business. Obviously a 2% return on equity is certainly not a cash cow by anyone's definition and certainly not by mine. Additionally the arbitrator will have to be guided by the instructions given by the government for the corporation to be profitable when he performs his duties.

I for one and I am sure all of my colleagues expect that Canada Post will be working in a financially sound manner so that it can provide valuable services to Canadians in the long term from here on in.

The Deputy Chairman: Is the committee ready for the vote on the amendment to clause 9 as proposed by the member for Winnipeg Centre?

Shall the amendment carry?

Some hon. members: Agreed.

(Amendment agreed to)

The Deputy Chairman: The amendment is carried but the clause will be—

An hon. member: Not necessarily.

The Deputy Chairman: No, because there were two amendments. The first amendment did not carry. The clause as amended did not carry so the vote will be deferred, pursuant to order. The vote on clause 9, as amended, will be deferred pursuant to order.

• (1755)

[*Translation*]

Mr. Paul Crête: Mr. Chairman, I just want the point of order to be clear. What will be put to a vote later on will be the clause as

amended by the amendment agreed to by all parties. The previous amendment, the one proposed by the Reform Party, will be voted on, but what will be voted on is the bill as amended by the amendment that was agreed to and the amendment put forward by the Reform Party.

[*English*]

The Deputy Chairman: That is correct. Certainement.

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Chairman, I rise on a point of order. If I am correct, what will happen is that first the Reform amendment will be voted on, then it will be the clause either as amended now or as amended by the Reform amendment because it is subject to a second amendment.

The Deputy Chairman: Hon. colleagues, we are moving on to the next clause. This will go forward, as amended. The vote will be on the Reform amendment. If the Reform amendment passes, then the clause will be voted on but it is going forward as amended. If that is clear, we will go on to clause 10.

(Clauses 10 and 11 agreed to)

The Deputy Chairman: Clause 12 has four amendments. We will start with the amendment to clause 12 by the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques.

[*Translation*]

(On clause 12)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ) moved:

Motion No. 4

That Bill C-24, in Clause 12, be amended by replacing lines 33 to 39 on page 5 with the following:

“12. The collective agreement shall also be deemed to be amended by increasing the rates of pay in effect as of February 1, 1997 and set out in Appendix A to the collective agreement by 1.5% effective August 1, 1997, by another 1.75% effective August 1, 1998 and by another 2% effective August 1, 1999”.

He said: Mr. Chairman, our amendment simply aims at ensuring that what is in the legislation is the best offer from management that was on the table when negotiations ended. For example, this means that the 1.5% increase would be effective February 1, 1997 instead of February 1, 1998, the 1.75% increase would be effective August 1, 1998 instead of February 1, 1999 and that the 2% increase would be effective August 1, 1999 instead of February 1, 2000.

In other words, we want to ensure that the rate increases provided for in the special legislation are those that management was willing to offer to the union. In the present government proposal, the rate increases are lower, which seems unacceptable to us and which does not demonstrate a will to create a good labour relations climate. We must understand these people. All the offers

we are talking about are lower than or equal to the inflation rate, and I think, in this regard, there was some ground to be made up.

We think that, if management saw fit to put these offers on the table, they should be considered at this point. In addition, the next amendment, brought forward by the NDP, will serve as a complement to our amendment, if it is accepted, so as to ensure the rate increases provided for in this legislation are the best that could be negotiated with the consent of both parties.

[*English*]

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Chairman, very briefly I have two points.

First of all, I am having a little trouble understanding why in changing the dates of implementation they are going back to several months before the contract expired. That one frankly confuses me a little. It is irrelevant in my point of view because we are fundamentally opposed to legislating a settlement when there is an arbitrator placed in there.

• (1800)

The arbitrator is being told let these people negotiate, let them settle if they possible can. If they cannot then the arbitrator is empowered to make those settlements. If the government does not trust its arbitrator, it had better make a different choice.

First, if there is an arbitrator, this does not allow them to continue negotiations on the very important question of wages. Second, if they cannot reach a decision, it should not be the government making an arbitrary decision on a corporation it owns any more than the union should be able to arbitrarily decide how much of a raise it will get and the company not have any response. If it cannot be done by negotiation, it should be done by some form of arbitration. That is the reason we are opposed to this motion.

Mr. Pat Martin: Mr. Chairman, I will speak very briefly on this because the amendment that we are going to speak to next that was put forward by the NDP is very similar.

We find it very easy to agree in principle with the hon. member from the Bloc Québécois who put forward the last amendment. We too believe that the least the workers should be offered in this legislative settlement should be the offer which was last made by Canada Post and was left on the bargaining table when the bargaining collapsed.

To add to that, and you will see when we speak to the next amendment, our feeling is that while we believe the Bloc Québécois is correct in its analysis, it should be the floor but it should not necessarily be the ceiling. It is almost merging these two resolutions. We should be merging the idea put forward by the Reform Party with the idea put forward by the Bloc.

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The arbitrator will be free to choose a wage somewhere between the last offer from Canada Post and the last position of the union. It would give them a range to choose from. It would give them a scope the arbitrator could draw from. We believe that would be the best resolve to the whole matter.

The Deputy Chairman: Hon. members, I understand that it is not the Chair's purview to do anything but guide the debate. There are quite a number of amendments yet to come.

This debate will end in 27 minutes. I would implore hon. members to keep the interventions brief and to the point so that we can get through them all.

The hon. member for Richelieu.

[*Translation*]

Mr. Louis Plamondon (Richelieu, BQ): Mr. Chairman, you will agree however that some of the amendments seem more crucial than others and this one, since it deals with wages, seems important enough to warrant a fairly close examination.

I have been a member of this House for 13 years and I am stunned to see that a special bill could be introduced and include lower rates of pay than what the employer, Canada Post, has proposed during the negotiations. That is where the problem lies. It is unacceptable and I am not surprised to see my Liberal colleagues, Mr. Charbonneau, Mr. St-Julien, Mr. Coderre—we can name them since we are in committee of the whole—remain quiet on this issue and refrain from voting or speaking in support of the postal workers in their own ridings, to tell them “Yes, the crown corporation did make a proposal.” It was the lowest offer the management could come up with, but still, in the bill it introduced, the government took it away from the postal workers.

Earlier, Minister Gagliano said that he was being unbiased, but in the speech he just made, he spoke just like he would if he were president of Canada Post and he is taking a tougher stand than the president of Canada Post by offering less to the workers.

This is why this amendment, coupled with the NDP amendment, would be fair to the workers and still be in line with what Canada Post proposed during the negotiations. After all, the government cannot be allowed to cut even further after tampering with the bargaining process.

• (1805)

Mr. Denis Coderre (Bourassa, Lib.): Mr. Chairman, if we forget for a while the demagoguery of the hon. member for Richelieu and consider the simple facts, we realize something. First of all, this is a government bill and it should be based on the Treasury Board guidelines. We cannot increase—

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Mr. Louis Plamondon: On a point of order, Mr. Chairman. Is the use of the word demagoguery parliamentary? I have been accused of being a demagogue because I side with the postal workers.

[English]

The Deputy Chairman: The Chair would ask all hon. members not to use this opportunity to raise the temperature of the debate.

The hon. member for Bourassa.

[Translation]

Mr. Denis Coderre: Mr. Chairman, this is a bad case of increasing cloudiness. One sure thing, Mr. Chairman, is that when you consider the facts, nobody can take offence from those words. The fact is that when we deal with a government bill based on Treasury Board guidelines, the government cannot give more than what it is ready to give in its own negotiations. That is the first point.

The second point is that the union has been offered 2% in a settlement proposal and that it has rejected it. That should also be taken into consideration.

The most important thing for us is that we should pass this bill as quickly as we can because businesses in Quebec are losing \$54 million a day because of this strike. Charities that should receive millions of dollars through the mail are not getting anything. We should stop listening to that broken record of Bloc recriminations on behalf of the unions and take a cold hard look at the real situation. We should not only reject this amendment but also go on to consideration of the following clauses.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Chairman, I will try to be brief enough because, as you said, we have several amendments to look at before 6:30 p.m.

This afternoon, some were talking about people with experience in negotiation. I can tell you that I have been involved in collective bargaining since 1979. Every time we returned to the table after we had reached a goal where we could have a collective agreement and a wage increase had been put forward by the employer, it was fine. But when we returned to the table only to realize that they took some away, it was more often than not that they were negotiating in bad faith.

So, when a government refers the negotiation to an arbitrator without giving us the assurance that they will bring about a collective agreement for our postal workers, I think they are missing the boat. Again they tell us they are not involved in the negotiation. With this motion they show that they are involved in the negotiations and that they do not want Canada Post to give anything to their workers.

[English]

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I find it very unusual that the Bloc would put forth a motion which would support a legislated settlement as far as the money is concerned. Of course one would expect them to say that it should be negotiated and I would agree with that.

If it gets to the point where we have to legislate an organization back to work and appoint an arbitrator, then we should allow the arbitrator to make these decisions.

I believe it is absolutely wrong to have the dollars and cents spelled out in the bill. It will handcuff the arbitrator.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I must ask the hon. member for Bourassa to remain calm and collected during today's discussions. I am sure the hon. member will recognize that what we said was very reasonable and I know he can be reasonable when he wants to. One has to catch him at the right moment.

Now, will the hon. member admit that there is an unspeakable contradiction in the fact that the government wants to put in a bill an offer lower than what the Canada Post Corporation, which is supposed to negotiate freely, was ready to make?

Will the hon. member admit that there is something absurd and that the real priority for the government—and I believe the members opposite should recognize that—is not the quality of life at work or the quality of service to the public but the need to get \$200 million. This is the main guideline, the leitmotiv of the government. This is and has always been the main focus of the negotiations.

I believe we must act as enlightened spokespersons and recognize that this is an unacceptable mistake.

• (1810)

How dare the member for Bourassa, the minister of public works and the minister responsible for the Canada Labour Code say that they will talk, and talk less in favour of workers and make an offer inferior to the one Canada Post was ready to make? What rule of generosity are they obeying?

I will conclude by saying that we must stop those who are stuck in the confines of the limited logic of the Treasury Board.

[English]

Hon. Lawrence MacAulay (Minister of Labour, Lib.): Mr. Chairman, there have been negotiations going on since April. Quite simply, they never could reach an agreement on wages. The increases provided in the legislation are in line with the collective

bargaining set amounts in Canada and compare favourably with the current rate settlements for other public sector agreements. In fact, they are slightly higher than the settlement for the third quarter of 1997. That is fair for CUPW and it is fair for the post office. That is why the rates are there.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Chairman, I would just like to say one thing which I consider very important at the moment and which affects me significantly.

The member who just spoke was the Minister of Labour. In this debate, he should be neutral. His prime objective is for labour relations to work well and not to sell management's offer.

I think he should give this serious thought.

[English]

Mr. Nelson Riis (Kamloops, NDP): Mr. Chairman, I listened to the Minister of Labour make his comments and I feel compelled to say that when it comes to collective bargaining, I think it is fair to say that collective bargaining associated with the federal government has been a complete disaster over the last few years.

The Minister of Labour should stand up and apologize to the tens of thousands of employees that he dumped on to the streets over the last little while. To suggest that somehow this settlement reflects the process of collective bargaining in this country after having such an abysmal record is almost unbelievable.

However, having said that, I have to agree with my hon. friend from the Bloc who just said that if we are going to impose a settlement, for goodness sake, why wouldn't we impose the settlement that at least the postal corporation suggested in the first place? To go beneath that again is one more step toward humiliation of the people that work for the federal government, either directly through the crown corporation or their own employees.

It reveals the contempt that the Minister of Labour has for working people in this country.

Mr. Svend J. Robinson (Burnaby—Douglas, NDP): Mr. Chairman, I will be very brief. I want to take this opportunity on this amendment to reinforce the comments that were made by my colleague from Winnipeg North Centre and other colleagues et aussi d'appuyer la motion de mes collègues du Bloc.

When we look at the whole history of the relationship between Canada Post and its employees, that relationship in many respects

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has been poisoned by the absolutely intolerable interference by this government in the collective bargaining process.

Look back, for example, at the nudge-nudge, wink-wink commitment that was made by the minister from Montreal who suggested to the Canadian Direct Marketing Association: "Do not worry about it. You will not have to worry. We will send them all back to work anyway."

How could there be any good faith bargaining? How could there be any serious negotiation in those circumstances when the employer knows full well that all they have to do is just hold out and ultimately they will be sent back to work.

What is so outrageous about this legislation is that not only are they being sent back to work, not only is the collective bargaining process being completely subverted, but they are being sent back to work with conditions of employment that are less than the employer was even prepared to offer at an earlier stage of the collective bargaining process.

I just want to reinforce our concern. We are voting against this legislation because it represents not just an interference in the collective bargaining process. That is bad enough. But it demonstrates absolute contempt for the loyal and hard working men and women who are now working for the Canada Post corporation.

• (1815)

The Deputy Chairman: Are we ready for the question?

Some hon. members: Question.

The Deputy Chairman: The question is on the Motion No. 4.

Shall the motion carry?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Chairman: Pursuant to order made earlier the vote is deferred.

We will proceed to the second amendment on clause 12.

Mr. Pat Martin (Winnipeg Centre, NDP) moved:

That Bill C-24, in Clause 12, be amended by replacing lines 33 to 39 on page 5 with the following:

"12. The collective agreement shall also be deemed to be amended by increasing the rates of pay by amounts to be determined by the mediator-arbitrator, provided that the increases be not less than the most recent offer of the Canada Post Corporation and not more than the last proposal put forward by the union."

He said: Mr. Chairman, this amendment is so close in substance to the amendment moved by the Bloc Québécois that it really does not warrant entering into a major debate. The only qualifying

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statement that differentiates this from the Bloc's original amendment is that we are suggesting that the arbitrator's legislated settlement be no less than the last offer from Canada Post and no more than the last demand from the union.

It would give the arbitrator a range within which to choose. We believe that is in keeping with the role of an arbitrator, who should have a free hand, who should be able to look at the market conditions and the profitability of the corporation to find a compromise position between the company's last offer and the employee's last demand for a wage increase.

We would hope that the Bloc Quebecois members would be able to see fit to support our amendment. By the same token, other members should be able to see the basic issue of fairness here.

The previous speaker, the member for Burnaby—Douglas, raised the issue that it really makes us wonder, when this offer is such a small amount lower than the last offer left on the table, if it is not sheer malice or if it is not mockery or trying to rub the employees' noses further into the ground. Kick them while they are down. That is the only reason we can think of for an offer which is one-tenth of one per cent in the third year lower than the last offer from Canada Post. That much we would think would be corrected automatically just out of good faith. It amounts to pennies.

The issue of substance here is that the starting date for the proposed wage increase has been moved ahead by six months. That amounts to a lot of money. By the calculations of the Canadian Union of Postal Workers it amounts to \$8 million per year. Compounded over three years, I believe the figure is in the neighbourhood of \$25 million to \$27 million. Less wages will go into the pockets of the employees during the lifetime of the collective agreement.

It is massive. It is simply taking advantage of a bad situation. If the employer was prepared to put that money into wages when bargaining fell apart, surely that money had already been allocated for that purpose and is readily available. They are harvesting that money out of this unfortunate situation, taking advantage of a bad situation.

We would appeal to the other parties to support this amendment. We believe it will answer the concerns of all parties on our side. It answers the Bloc's original concern that it should be not less than the last offer. It answers the Reform Party's idea that the arbitrator should have a free hand in ruling what the wage increase should be. We have pulled those two ideas together into one composite amendment which we are suggesting is the fairest position.

[*Translation*]

Mr. Louis Plamondon (Richelieu, BQ): Mr. Chairman, I will be very brief. I also agree with the remarks just made by the NDP member, which is totally in line with what we said about the first

amendment we proposed to clause 12, which would restore the offers made by Canada Post to the workers.

They went on strike because they were not satisfied with the way Canada Post behaved during negotiations. The minimum was not enough, and the government comes along with a special bill and stabs workers in the back by depriving them of the little they had been given. None of the Liberal members has anything to say in response to this injustice, to this behaviour. Some of them are former union leaders, like the hon. member for Abitibi, Mr. St-Julien, who was saying today that he had visited—

An hon. member: You are not allowed to name members.

Mr. Louis Plamondon: Yes, we can name them. We are in committee of the whole, Mr. St-Julien. I can name you.

• (1820)

He said he had visited the strikers and told them he understood their problems. He said "I looked at their collective agreement. They are paid well enough, I think. They have good wages, good conditions. We can give them a little stab in the back by voting with the minister on cutting back the conditions offered by Canada Post". I have trouble understanding hon. members such as Mr. St-Julien, Mr. Coderre and Mr. Charbonneau, who claim to be sensitive to public concerns.

This \$24 million that had already been gained by the postal employees is being taken away. This is money that will not end up in our ridings, and in your ridings, because that is where postal employees and mail carriers spend their pay, in their region. So this is money being taken away from all of the regions of Canada, which they prefer to leave in the accumulated funds of Canada Post, which as I said earlier makes a profit of over \$125 million. This petty amount of \$20 million will do nothing for it. The corporation is already profitable, and its role is not to make money but to get the mail delivered properly, while respecting the men and women who work for the corporation and assuming that responsibility.

I am appealing, therefore, not to the generosity of all hon. members, but rather to their common sense, in voting in favour of the amendment on which my hon. NDP colleague has spoken, as well as my hon. colleague for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, who spoke on the first. These two amendments are very much complementary and would result in the offer that has already been made to the postal employees and letter carriers during the negotiations being made the minimum in the bill. As I said, never in 13 years have I seen a bill that was going to be tabled to force a return to work which contained less than what the negotiations had partially arrived at. I am therefore appealing to the common sense of all hon. members in this House that they may understand this situation and back the amendment moved by the Bloc Quebecois and the New Democratic Party.

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[English]

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Chairman, we do not like the Bloc's amendment because, as we said, it is legislated settlement. In the case of the NDP's amendment, it is moving a step closer but it is like straddling a fence and we all know what happens if that is a picket fence and your legs are little short. We think there is still a problem with that. However, it is a move in the right direction and if we have to choose the best of two bad choices then that would be the better, no question.

When we have an arbitrator we think the proper way is take the conditions out and let the arbitrator decide.

[Translation]

Mr. Guy St-Julien (Abitibi, Lib.): Mr. Chairman, I listened very carefully to the Bloc Quebecois member. He talked about backstabbing. We have seen people in this House, such as Lucien Bouchard, stab others in the back. These people are now elsewhere.

I look at the member opposite who just arrived from Florida, who was not here during the strike, and who is now telling us that we do not do anything in Parliament. MP Louis Plamondon, who went to Florida and came back with a nice tan, accuses us of stabbing strikers in the back, but I want to tell him that we talked to workers on the picket lines. People want—and I checked this afternoon with my constituents in the riding of Abitibi—postal services to resume. Community groups want postal services to resume. So do small and medium size businesses.

But we are telling union workers in the Abitibi—Témiscamingue region that they do a good job, that they have always done a good job. I realize they follow the instructions given by their national office in Ottawa or Toronto. We can see in a 541-page tome that, since 1981, the union stewards have always been the same. They are here on this page. There is no one from the Abitibi—Témiscamingue region in this chapter. There is no one, on page 29 of the collective agreement, representing the province of Quebec. Since 1981, it has always been the same people who have represented the union. Think about it. Think about the fact that our people, the union workers, are protected at Canada Post by a collective agreement that is 541 pages long.

The member talks about backstabbing. I realize that he is not even a hunter. But here is one who has already stabbed the Conservative Party in the back. I want to tell you that we want to have good relations with our workers, who have always served us well. I support the bill. I spoke this afternoon and my opinion will not change.

• (1825)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Chairman, I would like to draw the debate back to the bill before us. We are here today to pass

legislation, back to work legislation restoring appropriate labour-management relations, as quickly as possible.

There are two requirements: that the act be the best possible and that it be passed as soon as possible. Those are the objectives and criteria applicable.

To have two objectives like these requires that the best possible conditions be provided for in this bill. When we ask that the management negotiation proposal be what appears in the legislation, it is no secret, it does not take a rocket scientist to understand why.

Mr. St-Julien should understand this concept. It is the management proposal, the very proposal made by management, that we have put forward in our amendment. I listened to the hon. member for Abitibi earlier and put up with what he had to say. He said among other things that those selected to represent the unions, because they have been in the same position since 1981, are not the right people to do the job.

Mr. Réal Ménard: Shame.

Mr. Paul Crête: This is an insult to all union officials. It is also an insult—

Mr. Denis Coderre: Don't choke.

Mr. Paul Crête: It is also an insult to all members of Parliament who have been sitting here for years.

I will conclude on this. We have a duty to produce the best possible piece of legislation, and I would really like Mr. St-Julien to refrain from participating in the rest of the discussion so that we can end up with something reasonable.

Some hon. members: Hear, hear.

The Chairman: Order, please.

The hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques is well aware that another member should not be referred to by name but by the name of his riding. I hope that the member will respect the rules of the House on this.

Mr. Denis Coderre (Bourassa, Lib.): Mr. Speaker, I have been insulted today. I have been insulted because the people from the Bloc, which is being paid and financed by unions, are telling me that I am stabbing workers in the back.

Mr. Paul Crête: And who is financing you?

Mr. Denis Coderre: There are people who go to Florida, but me, I go to my riding and I work there. What are the people telling me? That they are losing money. There are companies who are forced to

Government Orders

tell their workers to stay home because these people do not want to listen to reason.

Mr. Paul Crête: Come and try this where I live.

Mr. Denis Coderre: There is no doubt that this special legislation has to be adopted as quickly as possible. It is time that we stopped listening to the same union song and that people stopped talking about knives.

Personally, I have chosen to help the companies, I have chosen to help the citizens. I have chosen to help the charitable organizations. I have chosen to help my fellow citizens because people are losing money. I have decided to help the Salvation Army. I have decided to help Enfants Soleil. I have decided to help all these people because they are really losing money. I have decided to help those who rely on the holiday season to earn a living.

One thing is certain, when I hear members talk about knives and about stabbing, I do not know where they come from, but we have nothing to learn from the likes of them. We must reject this amendment because the union bunch on the other side, what they did is to refuse a settlement. We gave them a settlement, and they refused. This is a government law. We must follow the rules of the Treasury Board.

If these people fail to understand anything, it is because they fail to understand their fellow citizens. Instead of going to Florida, Mr. Plamondon should be going to his riding. Instead of talking about stabbing, the member for Richelieu should go speak to his fellow citizens, and he would see that 76% of the people in all ridings support the government, which has decided to bring in special legislation because we have chosen to be on the side of the citizens and not to be paid by the unions and to play their song. That is the problem, Mr. Chairman.

Some hon. members: Oh, oh.

Mr. Réal Ménard: I have a point of order.

The Chairman: Too late.

Some hon. members: Oh, oh.

The Chairman: Order, please.

Some hon. members: Oh, oh.

• (1830)

The Chairman: Order, please. I must now put forthwith every question necessary to dispose of this bill at this stage.

An hon. member: I rise on a point of order.

The Chairman: I am sorry, but we no longer have time for a point of order.

[English]

It being 6.30 p.m., pursuant to order adopted earlier this day, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the committee of the whole stage of this bill.

We will first have to put the questions on the remaining amendments and clauses before returning to the deferred divisions. Do hon. members wish to agree that all clauses and amendments have been put and divisions demanded in respect of each of the clauses and amendments, or do we want to go through that now before we start ringing the bells?

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Chairman, I think you should ask if the movers of the motions still want to proceed with moving some of these motions. It is not impossible that some hon. members, having listened to the debate, may not necessarily want to proceed with some amendments. On the other hand, there are others that are similar and they may satisfy that. Perhaps the Chair could put every question and then we could proceed with the vote.

The Chairman: I should say that every one has been deemed to have been proposed. It has not been put. That is the procedural problem the Chair is in but we will put all the clauses.

The first question is on the amendment by the member for Winnipeg Centre to Clause 12. Is it the pleasure of the committee to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The vote on the amendment stands deferred.

The second amendment on Clause 12 is that of the hon. member for Wetaskiwin.

Mr. Dale Johnston (Wetaskiwin, Ref.) moved:

That Bill C-24 be amended, in Clause 12, by replacing lines 33 to 39 on page 5 with the following:

“12. The rates of pay in the new collective agreement shall be determined by Final Offer Arbitration, in the event the parties cannot reach a settlement.”

The Chairman: Is it the pleasure of the committee to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The vote on the amendment stands deferred. The next question is on the amendment by the hon. member for Kitchener—Waterloo.

Mr. Andrew Telegdi (Kitchener—Waterloo, Lib.) moved:

That Bill C-24 be amended in Clause 12 by replacing lines 33 to 39 on page 5 with the following:

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“12. The collective agreement shall also be deemed to be the most recent offer of the Canada Post Corporation. The collective agreement shall also be deemed to be amended by increasing the rate of pay to the most recent offer of the Canada Post Corporation.”

The Chairman: Shall the amendment carry?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The vote on the amendment stands deferred.

Mr. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Chairman, the amendment is the same as amendment BQ-3, therefore amendment L-1 is redundant. I will withdraw the amendment.

The Chairman: Is it agreed?

Some hon. members: Agreed.

(Amendment withdrawn)

The Chairman: Shall clause 13 carry?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The vote on clause 13 stands deferred.

[Translation]

Shall Clause 14 carry?

Some hon. members: Agreed.

(Clause 14 agreed to)

• (1835)

(On Clause 15)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ) moved:

Motion No. 5

That Bill C-24, in Clause 15, be amended by replacing lines 17 and 18 on page 6 with the following:

“and may be recovered as such from the employee in any court”

The Chairman: Is it the pleasure of the house to adopt the amendment?

Some hon. members: No.

Some hon. members: Agreed.

The Chairman: The division on the amendment stands deferred.

[English]

(Clause 16 agreed to)

[Translation]

The Chairman: Shall Clause 17 carry?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The division on the motion stands deferred.

[English]

Shall clause 18 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause 18 agreed to)

The Chairman: Shall clause 19 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause 19 agreed to)

[Translation]

The Chairman: Shall Clause 20 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 20 agreed to)

[English]

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Chairman, that motion is only made subject to previous Reform motions passing. If those motions do not pass then Reform will withdraw that one prior to it being voted on.

The Chairman: I am afraid the hon. member will not get the chance to withdraw it. In the opinion of the Chair, the motion is out of order and will not be put to the House in any event.

Shall clause 21 carry?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The division on clause 21 is deferred.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, on clause 21, if there are amendments, I would suggest that we not carry it until we dispose of the amendment.

The Chairman: There is no valid amendment to clause 21.

Hon. Don Boudria: There are two amendments.

The Chairman: I have not seen a second one.

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[Translation]

Mr. André Bachand: Mr. Chairman, I think you now have at hand the three amendments put forward by the Conservative Party. We cannot pass 21, because there is an amendment to this motion. I think the government House leader would agree with me. If we were to pass Motion No. 21, the changes to the amendments would automatically fall through.

The Chairman: I will now put the question on the amendments.

(On clause 21)

Mr. André Bachand (Richmond—Arthabasca, PC) moved:

That the following new section be added to page 7 of Bill C-24, after line 23:

“21. Once the Bill comes into force, the union and its representatives are required to:

- a) consult its members to achieve consensus on a new process of negotiation and ratification of the collective agreement; and
- b) on the first anniversary of the Bill coming into force, the union and its leaders must present their consensus to the responsible minister”.

The Chairman: Is it the pleasure of the House to adopt the amendment?

Some hon. members: No.

Some hon. members: Agreed.

The Chairman: The division is deferred.

(On clause 22)

Mr. André Bachand (Richmond—Arthabasca, PC) moved:

That the following new section be added to page 7 of Bill C-24, after line 23:

“22. Once the Bill comes into force, the employer is required to:

- a) consider new ways of negotiating and ratifying the collective agreement; and
- b) on the first anniversary of the Bill coming into force, the employer must present its recommendations to the responsible minister”.

The Chairman: Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The division on the amendment is deferred.

(On clause 23)

Mr. André Bachand (Richmond—Arthabasca, PC) moved:

That the following new section be added to page 7 of Bill C-24, after line 23:

“Prior to the second anniversary of the Bill coming into force, the minister responsible will present to this House a bill which will give Canada Post Corporation and its employees a new negotiating and ratifying process for the collective agreement.”

The Chairman: Is it the pleasure of the House to adopt the amendment.

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: The division on the motion is deferred.

Call in the members.

● (1855)

[English]

And the bells having rung:

The Chairman: The question is on Motion No. 1.

● (1905)

[Translation]

(Motion No. 1 negatived)

[English]

The Chairman: The next question is on Motion No. 2. Is it the pleasure of the committee to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: All those in favour of the amendment will please rise.

Is it agreed without counting the yeas that the amendment is defeated?

Some hon. members: Agreed.

(Motion No. 2 negatived)

The Chairman: Shall clause 8 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 8 agreed to)

The Chairman: The next question is on the amendment by Mr. Gouk to clause 9.

Mr. Jim Gouk (West Kootenay—Okanagan, Ref.): Mr. Chairman, that motion is a continuation of the one which was just defeated in the previous vote and, therefore, is now redundant.

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The Chairman: Is it agreed that the amendment be withdrawn?

Some hon. members: Agreed.

(Motion No. 3 withdrawn)

The Chairman: Shall clause 9, as amended, carry?

An hon. member: On division.

(Clause 9, as amended, agreed to)

The Chairman: The next question is on clause 12.

[*Translation*]

Is it the pleasure of the committee to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: All those in favour will please rise in their places.

Is it necessary to count the nays? Is it agreed that the amendment is lost?

Some hon. members: Agreed.

(Amendment negatived)

• (1910)

[*English*]

Mr. Bob Kilger: Mr. Chairman, I believe you would find consent to apply the result of the vote just taken to the amendment to clause 15 under the name of Mr. Crête.

The Chairman: Does the committee give its consent to apply the vote just taken as indicated?

Some hon. members: Agreed.

[*Translation*]

Mr. Michel Gauthier: Mr. Chairman, there is a problem in the identification of what has just been done on the other side. It is not the same thing we have here. Would the government whip care to check once more so that the division applies to the right motions. We do not have clause 15, which is a motion standing in the name of Mr. Bachand.

Mr. Bob Kilger: Mr. Chairman, it is Motion No. 5 of the Bloc.

The Chairman: Is it agreed that the results of the vote on the motion of Mr. Crête apply to the amendment on clause 15?

Some hon. members: Agreed.

The Chairman: I declare the amendment lost.

(Motion No. 5 negatived)

[*English*]

Mr. Bob Kilger: Mr. Chairman, I believe you might find consent to apply the result of the vote just taken to the motion presently on the floor of the committee.

The Chairman: Is there agreement to apply the vote just taken to this amendment of Mr. Martin? Is that agreed?

Some hon. members: Agreed.

(Amendment negatived)

The Chairman: The next question before the committee is on the amendment to clause 12 of Mr. Johnston.

(Amendment negatived)

The Chairman: Shall clause 12 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause 12 agreed to)

• (1915)

The Chairman: Shall clause 13 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause 13 agreed to)

The Chairman: Shall clause 15 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause 15 agreed to)

The Chairman: Shall clause 21 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause 21 agreed to)

The Chairman: I have three amendments in the name of Mr. Bachand. The question is on the first amendment.

(Amendment negatived)

Mr. Bob Kilger (Stormont—Dundas, Lib.): Very respectfully, Mr. Chairman, I believe you might find consent to apply the results of the vote just taken to the other two amendments in the name of Mr. Bachand.

The Chairman: I think it will be necessary to put the question. Perhaps, if I put the amendments, we might get agreement to apply the vote.

The next question is on the second amendment. Is it agreed that the vote taken on the last amendment will apply to the second amendment?

Some hon. members: Agreed.

(Amendment negatived)

The Chairman: The question is on the third amendment. Is it agreed that we apply the vote on the previous amendment to third amendment?

Some hon. members: Agreed.

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(Amendment negatived)

The Chairman: Shall clause 1 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause 1 agreed to)

The Chairman: Shall the title carry?

Some hon. members: Agreed.

An hon. member: On division.

(Title agreed to)

(Bill reported)

• (1920)

Hon. Lawrence MacAulay (Minister of Labour, Lib.) moved that Bill C-24, an act to provide for the resumption and continuation of postal services, be concurred in.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

• (1925)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 49)

YEAS

Members

Abbott	Ablonczy
Adams	Alcock
Anders	Assad
Assadourian	Augustine
Bachand (Richmond—Arthabaska)	Bailey
Bakopanos	Barnes
Beaumier	Béclair
Bélanger	Bellemare
Bennett	Benoit
Bernier (Tobique—Mactaquac)	Bertrand
Bevilacqua	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bradshaw	Breitkreuz (Yorkton—Melville)
Brison	Bryden
Bulte	Byrne
Caccia	Cadman
Calder	Cannis
Carroll	Casey
Casson	Catterall
Cauchon	Chan
Charbonneau	Charest
Clouthier	Coderre
Cohen	Collenette

Comuzzi	Cullen
Cummins	DeVillers
Dhaliwal	Dion
Discepola	Dromisky
Drouin	Dubé (Madawaska—Restigouche)
Duhamel	Easter
Elley	Epp
Finestone	Finlay
Folco	Fontana
Forseth	Fry
Gagliano	Galloway
Gilmour	Godfrey
Goodale	Gouk
Graham	Gray (Windsor West)
Grewal	Grey (Edmonton North)
Hanger	Harb
Harris	Hart
Harvard	Harvey
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hubbard	Ianno
Iftody	Jackson
Jaffer	Jennings
Johnston	Jones
Jordan	Keddy (South Shore)
Kerpan	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Knutson	Konrad
Kraft Sloan	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	Lowther
Lunn	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Mahoney
Malhi	Maloney
Manley	Manning
Marchi	Mark
Marleau	Massé
Mathews	Mayfield
McCormick	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McNally	McTeague
McWhinney	Mifflin
Mills (Broadview—Greenwood)	Mills (Red Deer)
Minna	Mitchell
Muise	Murray
Myers	Nault
Normand	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Pankiw	Paradis
Parrish	Patry
Penson	Peric
Peterson	Pettigrew
Phinney	Pickard (Kent—Essex)
Pillitteri	Pratt
Proud	Provenzano
Ramsay	Redman
Reed	Reynolds
Richardson	Ritz
Robillard	Rock
Schmidt	Scott (Fredericton)
Serré	Shepherd
Solberg	Speller
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Stinson	St-Julien
Strahl	Szabo
Telegdi	Thibeault
Thompson (Charlotte)	Ur
Valeri	Vanclief
Vellacott	Wappel
Wayne	Whelan
Wilfert	Williams
Wood—195	

NAYS

Members

Axworthy (Saskatoon—Rosetown—Biggar)
Bellehumeur
Bigras
Brien
Chrétien (Frontenac—Mégantic)
Dalphond-Guiral
Debien
Desrochers
Dubé (Lévis)
Earle

Fournier
Gauthier
Godin (Acadie—Bathurst)
Guay
Hardy
Lalonde
Lebel
Lill
Marchand
McDonough
Mercier
Picard (Drummond)
Proctor
Robinson
Sauvageau
St-Hilaire
Tremblay (Lac-Saint-Jean)
Wasylycia-Leis —55

Gagnon
Girard-Bujold
Godin (Châteauguay)
Guimond
Laliberte
Laurin
Lefebvre
Mancini
Martin (Winnipeg Centre)
Ménard
Nystrom
Plamondon
Riis
Rocheleau
Solomon
Stoffer
Tremblay (Rimouski—Mitis)

PAIRED MEMBERS

Anderson
Baker
Îles-de-la-Madeleine—Pabok)
Eggleton
Loubier
Martin (LaSalle—Émard)
Perron

Asselin
Bernier (Bonaventure—Gaspé—
Duceppe
Karetak-Lindell
Marceau
O'Brien (Labrador)

The Deputy Speaker: I declare the motion carried.

When shall the bill be read a third time. By leave, now?

Some hon. members: Agreed.

Hon. Lawrence MacAulay moved that the bill be read the third time and passed.

Mr. Chuck Strahl (Fraser Valley, Ref.): Mr. Speaker, I rise on a point of order. You asked when the bill could be read a third time. I wonder if you would find unanimous consent to move the vote on third reading right now.

The Deputy Speaker: If no member rises in debate I would be happy to put the question.

Is the House ready for the question?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: There are some members who are objecting and it appears some members wish to debate the bill.

Hon. Lawrence MacAulay: Mr. Speaker, I am pleased to have the opportunity to speak to Bill C-24, the postal services continuation act, 1997.

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As I indicated to hon. members, I regret having to initiate legislative proceedings to bring about the resolution of a labour dispute which the parties were fully capable of settling themselves.

• (1930)

However, this particular bargaining dispute is not just impacting—

The Deputy Speaker: Order. I know that all hon. members will want to hear the minister, so perhaps we could just wait until members have cleared out of the Chamber so we can all hear the minister.

Hon. Lawrence MacAulay: Mr. Speaker, I am pleased to have the opportunity again to speak on Bill C-24, the postal services continuation act, 1997.

As I have indicated to hon. members, I regret having to initiate legislation proceedings to bring about the resolution of a labour dispute which the parties were fully capable of settling themselves.

However, this particular bargaining dispute is not just impacting on the two sides involved in the conflict but is also having a serious effect on Canadian businesses, charities and members of the public who rely on the mail for their livelihood as well as people who depend on it for their link to family and friends.

The government has not been insensitive to these concerns. Contingency plans have been put in place for the distribution of social benefit cheques in order to prevent financial hardship for those who receive these cheques. I would like to stress that the importance of this arrangement was also recognized by Canada Post and the Canadian Union of Postal Workers and they agreed to a process for delivering these cheques in the event of a work stoppage.

The government takes its role as protector of the public interest very seriously. Canadians are clearly suffering because of this prolonged labour dispute so it was necessary for the government to intervene to bring about an end to the work stoppage and restore regular postal service to Canadians.

Although the circumstances which led to the introduction of this legislation have been discussed during debate on this bill, I would like to review some of the events at these collective bargaining negotiations.

Canada Post Corporation and the Canadian Union of Postal Workers have been involved in negotiations in an attempt to arrive a new agreement to replace the one which expired on July 31, 1997. The contract covers some 45,000 postal workers and letter carriers across Canada.

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It is worthy to note that the parties had been able to negotiate this previous agreement at the bargaining table without resorting to work stoppage action or without third party assistance. Given that the parties entered into intensive negotiations well in advance of the expiry date, there was every hope that a new agreement would be achieved again without a strike or a lockout action.

When direct talks broke off between the two sides and a notice of dispute was filed with my department, I assigned two conciliation officers to the dispute in an attempt to resolve the issue separating the parties from a settlement. Conciliation proceedings took place during the last half of August and early September. Despite the efforts of the conciliators, the parties remained deadlocked.

On September 15 the employer submitted a global offer to the union but the offer was rejected by CUPW some three days later. On October 7, I appointed Mr. Marc Gravel, a well respected labour relations neutral from the private sector, as conciliation commissioner in this dispute. Mr. Gravel began meeting with the parties on October 14 but by the end of the month indicated to me that he was having little success in moving the parties toward a settlement of their differences.

Mr. Gravel suggested that the threat of work stoppage was needed to bring about appropriate pressure to bear on the negotiating process and, at the same time, suggested that I make the services of the federal mediation and conciliation services available to the parties in any further talks.

Following discussions with the two parties, I appointed the director general of federal mediation and conciliation services, Mr. Warren Edmondson, as a mediator in the dispute on November 24. Mr. Edmondson immediately entered into intensive mediation sessions with the employer and union in an attempt to break the logjam and get the negotiations back on track.

• (1935)

Following some four days of meetings with the parties, Mr. Edmondson reported to me that the prospect of a resolution was remote and that the parties were not prepared to demonstrate the flexibility required to reach an agreement.

Having given the collective bargaining process every possible opportunity to work in this situation, and faced with a work stoppage creating serious economic hardship for Canadians, I decided to introduce legislation to bring about an end to the strike and ensure that a collective agreement was put in place.

The legislation before hon. members will bring about a resumption of regular postal services and provide for the appointment of a mediator-arbitrator to resolve the issues remaining in the dispute

between the two sides, with the exception of the issue of wages and the duration of the contract.

The legislation includes the guiding principle to assist the mediator-arbitrator in carrying out his or her assigned mandate. It requires that the mediator-arbitrator be guided by the need for the corporation to meet productivity and service standards necessary to provide Canadians with a nationwide postal service which they can rely on.

As amended in second reading, the guiding principle also requires that the arbitrator be guided by the need to ensure viability and financial stability for the corporation. I would like to set out what the government means by viability and financial stability for Canada Post in this bill.

While the government does not want to privatize Canada Post, and this is why we agreed to the amendment in second reading, it does intend that Canada Post operate in a manner that is consistent with comparable industries in the private and public sector. Canada Post must have sufficient flexibility to manage in a competitive environment. Also very important, it has to be profitable in accordance with the Financial Administration Act.

The arbitrator will have to be guided by the instructions given by the government for Canada Post to be profitable when he or she performs their duties. He or she will have to interpret that instruction and to assist the arbitrator in doing so, the parties will be able to submit evidence, present witnesses and documents. He or she will balance these instructions given to the corporation by the need to take into account the importance of good labour relations management between the corporation and the union.

Good labour-management relations are essential to the operations of a modern and vital postal service. Like all modern businesses, the corporation requires the co-operation of its employees to meet the challenges of the changing workplace.

The issues which are highlighted in the guiding principles are issues which are routinely taken into account by arbitrators who are being asked to decide the terms and conditions of employment for employees in a bargaining unit. In this legislation the factors to be taken into account by the mediator-arbitrator were expressed in writing to provide greater certainty.

The provisions for the appointment of the mediator-arbitrator rather than an arbitrator will give the parties one more chance to settle as many issues as they can in the mediation prior to an arbitration decision being made on outstanding issues.

The process of mediation followed by arbitration encourages the parties to settle their own differences rather than having a third party decide their terms and conditions of employment. The more

issues that can be agreed to by the parties on their own, the more chance there will be for productive labour-management relations.

I strongly believe the government's action in this dispute will reflect the will of the majority of Canadians. We fully support the principle of a free collective bargaining process and we gave this system every chance to work properly. It was only when there was obviously no chance of a negotiated settlement that the government intervened to end a work stoppage which Canadians clearly wanted to be over.

• (1940)

I repeat that I am a firm believer in the collective bargaining process and I take no satisfaction in having to bring this type of legislation to the House. However, in addition to supporting the rights of the employees and the union under the provisions of the Canada Labour Code, I also have a responsibility to ensure that the economic well-being of the country and the health and safety of its citizens are not adversely affected by lengthy work stoppages.

It is clear that the current dispute within the postal service is a situation that falls into this category and must be resolved for the good of all concerned.

Bill C-24, the postal services continuation act, 1997, brings about a resumption of postal services to Canadians. It provides for a dispute resolution mechanism in the form of a mediator-arbitrator to resolve the issues remaining in the dispute between the employer and the union with the exception of wage increases and the duration of the agreement, both of which are implemented in the legislation.

The bill outlines the guiding principle for the process that balances economic and service related targets for corporation with the need for good labour-management relations. I thank members on both sides of the House for their frank and constructive debate on this legislation today. I would ask for their support for this bill so we can get the mail moving again in Canada.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, we are on the eve of getting the mail moving again. This is an opportunity for me to share a few thoughts with the minister and Canadians in general. It was good to hear the minister say that he supports the collective bargaining process. He has told us that over and over again, so I guess that is his position.

He also said that he takes no satisfaction in having to bring in legislation of this type. There is a point on which the minister and I can agree. Although we as a party asked to get the mail moving again, this seemed to be the only method left to get the mail moving and we reluctantly support this sort of thing.

We believe there is no need to have to legislate back to work for work stoppages, in particular in areas where there is no alternative.

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There is no alternative to the post office. If you put first class mail out to be delivered it will be delivered by the post office. Nobody is running in competition with the post office.

Where a monopoly exists we have to come up with a mechanism that settles these disputes without a strike or a lockout. The Canadian public simply cannot withstand this kind of blow. People have phoned our offices repeatedly to tell us how much money they are losing and that they will have to lay off employees.

We are concerned that every time this happens, Canada Post is losing another slice of the market share. Not everybody has access to the Internet, e-mail, faxes and so forth. Every time there is a disruption in the service of first class mail, people start to look for alternatives.

A good case in point is a local newspaper back home. It is a member of the weekly newspaper association that has been publishing for the last 50 years in my hometown. Every week it mails out its papers to the outlying areas. It is an ad journal with no subscription rates. It simply goes out to every household in the coverage area and is paid for by the advertising. I spoke with the editor of that paper just recently and he said that his postal costs were about one thousand dollars a week. As soon as this postal disruption was talked about, as soon as there was a lot of chest thumping and we knew that there was going to be a postal disruption, this editor set the wheels to deliver his paper without Canada Post.

• (1945)

What they actually came up with was a distribution system where they had news boxes at convenient points all through their circulation area that would be stocked on the same day that the paper was printed.

Everybody now is going to get their paper on the same day whether they live in the town that the paper is printed in or whether they live in an adjacent town or somewhere in between in a rural area. They will all get their paper the same day.

The most significant thing is that besides the fact that it is going to cost him half of what it did through Canada Post, \$500 a week as opposed to \$1,000 a week, this editor has no intention of going back to Canada Post once the mail has resumed. I think that is a shame because there is another slice of market share that Canada Post has lost.

One of the things that was very hotly contested during all of these labour talks was the fear of lay-offs in their jobs. CUPW kept saying that they were—

Mr. Pat Martin: On a point of order, Mr. Speaker, I am not usually a really big fan of what the Reform Party has to say but I think everybody in this House deserves the courtesy of at least

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having representatives on the other side here to listen to the arguments no matter what the merits of those arguments are.

Even with that member going back to his proper seat, we have a lack of quorum.

The Acting Speaker (Mr. McClelland): Is the hon. member for Winnipeg Centre calling for quorum?

Mr. Pat Martin: Yes, Mr. Speaker.

The Acting Speaker (Mr. McClelland): Call in the members.

• (1950)

And the count having been taken:

The Acting Speaker (Mr. McClelland): There is a quorum. Resuming debate.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, as I was saying, one of the most contentious issues was that CUPW had alleged that Canada Post wanted to lay off a good number of workers.

I suspect that losing the market share is going to hasten that kind of activity. If we cannot maintain the market share of Canada Post, there will be less work to do and as a result there will be fewer people working at Canada Post. It only follows.

I think the anecdote that I shared regarding my local paper is one instance in one constituency in one province of Canada. I am sure it can be multiplied by a good many times because other people will say that we are losing too much here, that it is too much of a risk with these constant interruptions in the postal service and therefore we will go to alternatives.

That is a sad state of affairs. We should have a good, strong, viable postal service in Canada so that when a letter is dropped into the slot, it is guaranteed that it will be delivered anywhere on the globe.

Of course, that is what we have had in the past and I do not see any reason why we could not have it in the future. The fact that we are here today debating to put the postal workers back to work and to reinstate the postal service tells you that there is something wrong.

We have had to do this before in the last ten years. We had to do it at least two other times. Why do we continue to legislate them back over and over again?

We need a system put in place that is going to resolve these things before they come to the work stoppage position and really harm innocent bystanders, people who really have no say in who goes to work and who does not.

We have put forth resolutions in this House, amendments to this bill, to use the final offer selection system by which, very basically

put, the two sides will put forth the things that they do not agree on. They will agree to an arbitrator who will choose all their final positions or all the other final positions, one or the other. There is no compromise position in between.

As I have said before in this House, I believe that that is a tool that could be used effectively by labour and by management. I do not think it weights one side of the scale more than it does the other side. I believe that that is what we need to have as far as labour legislation in this country is concerned. We need to have a balance.

If we have the scales tilted too far to one side, then certainly there is going to be an undue advantage for that side. Therefore, this is a system that, if used to its ultimate, will not be used at all because the people who have it there as a tool to use will bargain very earnestly knowing that this is the legislated final step.

If they do not arrive at an agreement on their own, they will be compelled to go to this final step which really takes the decision out of their hands. I am sure that all parties would like to come to a negotiated settlement. However, I believe that final offer selection is a tool that could be used equally by each party. It would help in the negotiating process.

• (1955)

There are people who would argue that final offer selection takes away the right of these people to strike. I do not think it does. If we asked most people out on the picket line if they enjoy striking, they would say that they do not enjoy striking but feel compelled to do so.

Everybody likes stability. Everybody likes to have some control in their lives. When their paycheques stop and they are out on the picket line, it is not very pleasant especially in this November and December weather. I am sure those people would rather be gainfully employed and picking up their salaries just as they have for the past number of years.

I would suggest that what we are doing today takes the right to strike and to lock out away from these people more than final offer selection does. By mandating these people back to work we are saying that they do not have the right to strike, that they were on strike for nine or ten days but that is over with now and they have to go back to work. If they do not go back to work they are breaking a statute of Canada which is very serious.

We agree with the minister when he says that he takes very little satisfaction or no satisfaction in having to bring in back to work legislation. We agree with that. Something has to be done. We have to get the mail moving and it is obvious that the negotiation process was not going to get it moving.

We and everybody agree that the best solution is a negotiated solution. If the parties negotiated, they would all feel that they had a hand in it and that they were parties to the decision rather than

having to throw everything up in the air and having the decision mandated by someone else.

I was very much surprised to see that the minister and his department would include the pay scales in this bill, that they would have the increases mandated. I was surprised to see a Liberal government bring this in. I was also surprised to hear some of the more left wing parties agree to this. They agreed to this idea in principle but amended it and juggled the figures a little. The NDP and the Bloc agreed to this mandated settlement. That really surprised me. I always thought they were the champions of labour and that they would want a negotiated settlement. We do too.

We think that part of the bill should have been removed. We suggested that and put forth amendments to that effect. I suppose the government in its wisdom and certainly in its numbers held sway and said whether the bill would live or die.

How has the last nine or ten days affected average Canadians? They have not received their newspapers through the mail. They have not received their cheques. Although we have had assurances from Canada Post that the old age pension cheques would be delivered, I had telephone calls from my constituency this week from some people who said that a lot of people on their block got their pension cheques but they did not get theirs. They say that it is December 1 and they do not know what to do. What can I say? How can I check it out for them since the post office is not working? All we can tell them is that their cheques were issued from Ottawa and we have no way of knowing where those cheques are gone.

The strike has had an effect on pensioners on a fixed income who depend on their pension cheques. Certainly I am not implying that seniors are living hand to mouth and pension cheque to pension cheque but they like to see it arrive on the regular day.

• (2000)

The post office in the smaller centres is sort of a social centre in the community. It is a place where you meet your neighbours. In a small town it is a place where you meet your business associates. Not everybody regularly attends the chamber of commerce meetings but they often attend the bank and the post office. They bump into their business associates and compare notes and talk about any manner of things. Of course when the post offices are closed that social aspect of the community is not there.

Not to mention the fact that charities at this time of the year are really dependent on the Christmas season for their biggest fund raisers. They raise about 80% of their funds in the month of December.

I know our political party likes to try to raise funds in November and December because it is getting close to tax time. Generally people have their end of year approaching and they have their finances pretty much in order. A lot of people budget a certain amount to give to charities and they do that usually in the last month of the year.

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I am very pleased to see that the post office is going back to work. I hope it goes back very quickly and that all the talk of civil disobedience is just that, talk. I know that we have many very dedicated people in the post office workforce who pride themselves on doing an excellent job of delivering the mail through all sorts of conditions. I can hardly wait to get the mail system back to its normal condition.

The Minister of Labour has a great opportunity, one that perhaps has not been offered to other ministers of labour and that is to adopt and institute the final offer selection arbitration process. This process, as I have said many times in this House, is a great tool, one that would prevent the damage done to innocent third parties that have no control over these labour disruptions.

Oftentimes these labour disruptions are about power and there are struggles. I do not know that this particular instance was a power struggle but the possibility for that is always there. For third party persons who simply are users, constituents of the system, to be damaged by this to the effect that they have been during this postal strike is simply not fair.

We hear a lot of talk about fairness in this House and about balance. That is exactly what we should be striving for. Fairness and balance. I think the Canadian public, the consumers of the services of the post office deserve fairness and they deserve balanced legislation to make sure that that fairness is assured.

For the last two weeks 30 million Canadians have been denied the postal service. Within a matter of a few days I am very hopeful that we are going to see the resumption of those services.

I could probably continue and make several other points but time is running short. I look forward to hearing what my colleagues have to say.

• (2005)

[*Translation*]

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, it is with pleasure that I speak to this very important issue in the history of Canada, since we are dealing here with a special piece of legislation.

First of all, I wish to indicate to you that I will be sharing my time with my colleague from Mercier and my colleague from Terrebonne—Blainville, that is 10 minutes each.

This being said, it is my duty and my responsibility to take part in the debate on this special back-to-work legislation—

[*English*]

The Acting Speaker (Mr. McClelland): Excuse me, please. The hon. member for Trois-Rivières has asked for unanimous consent to split the time three ways, 10 minutes each. This is the

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first 40 minute round. Does the hon. member for Trois-Rivières have the unanimous consent of the House?

Some hon. members: Agreed.

[Translation]

Mr. Yves Rocheleau: Mr. Speaker, I thank my colleagues for their understanding.

It is with pleasure and with a sense of duty that I rise today, as labour critic, to take part in this very important debate in the history of labour relations in Canada.

However, it is also a sad moment in the history of labour relations in Canada because of what we have seen today and in previous weeks about the way this matter has been handled. The government should be ashamed of what it has done, particularly through its public works and governmental affairs minister, nipping in the bud the negotiations that started a few months ago between both parties. Members will recall that the minister candidly admitted that the government would legislate in the event of a strike by postal workers, thereby making these negotiations meaningless.

Therefore, what we witnessed is a sad masquerade, made even worse by some disgraceful actions.

A brief review of recent events: a call for reduced use of the postal service as the strike deadline approaches, lay-offs because of the reduced activity, an announcement of Canada Post's desire to cut more than 4 000 positions, violent behaviour by one of the management team and an attack on a union negotiator, announcement of a lock-out, etc. A sad record indeed.

I shall now address the more specific question of the vicious overall character of this government's strategy and actions, the government of a sovereign country called Canada where we are witnessing what I would call orchestrated action against the unionized class, the entire middle class, everywhere on this planet, in order to diminish the role of the state, to dismantle to some extent all the mechanisms with which we have equipped ourselves in order to better share the wealth, and within which we give an obvious framework to the privatization of the principal services of the state. You will have understood that I am referring to clause 9, which I shall read:

9. The mediator-arbitrator shall be guided by the need for terms and conditions of employment that are consistent with those in comparable industries in the private and public sectors and that will provide the necessary degree of flexibility to ensure the short- and long-term economic viability and competitiveness of the Canada Post Corporation, taking into account

- (a) that the Canada Post Corporation must, without recourse to undue increases in postal rates,
 - (i) perform financially in a commercially acceptable range,
 - (ii) operate efficiently,

(iii) improve productivity, and

(iv) meet acceptable standards of service; and

(b) the importance of good labour-management relations between the Canada Post Corporation and the union.

This is an orchestrated operation, in Canada as in France, as in Germany, as in Italy, and everywhere else in the West, to ensure that those who have done well for themselves, particularly by unionizing workers and salaried employees, are now seeing their powers, their advantages, systematically diminished.

● (2010)

I would like to share with you the remarks that appeared yesterday in *Le Monde Diplomatique*, written by a European of substance, Ignacio Ramonet. He wrote the following in this paper, and his remarks are very relevant to what is happening here, with everything orchestrated in my opinion. That must be said so that finally a debate may be held in the West, indeed worldwide, soon, to make economic progress synonymous with human progress.

I quote Mr. Ramonet:

Financial globalization has created its own government. A supranational government with its own machinery, influence networks and means of action. I am talking of the International Monetary Fund (IMF), the World Bank, the Organization for Economic Co-operation and Development (OECD) and the World Trade Organization (WTO). These four institutions speak with one voice—echoed by almost all of the major media—in exalting “market virtues”.

This world government is a power without a society, that role belonging to the financial markets and giant corporations it represents. The effect of this is that real societies have no power. The situation continues to worsen. As the successor to the GATT, since 1995, the WTO has acquired supranational powers and is out of reach of the controls of parliamentary democracy.

And I said parliamentary democracy.

Once seized of an issue, it can declare national labour, environmental or public health legislation “contrary to free trade” and call for their repeal.

This is the scenario we are facing here in this House. Fortunately, the opposition parties have formed a fine coalition of the New Democratic Party and the Bloc Québécois. This means we can bring an element of humanity to clause 9 by pointing out that Canada Post, for as long as it exists in Canada in this form, is a public service with a logic, a consistency and the expectations we might have of a public service with all its strengths and weaknesses and constraints and not a private enterprise with its own internal logic.

I want to emphasize here the role of my colleague from Champlain who has done such outstanding work today. He succeeded in uniting all our forces in making this government listen to reason because it was embarking with indifference and cynicism on the road to neo-liberalism which is making the poor poorer and the rich richer. So if there are people who are not doing too badly, it is not by the grace of God or the Virgin Mary, it is because they succeeded in unionizing. It is through a great struggle

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that they won the right to unionize; such a right was never given to them, they always had to fight for it.

We must condemn measures as cynical as those we are seeing today in order to protect what we have here in Canada, in Quebec, in America, in the West, where the union movement is concentrated, because we know that everywhere else, we cannot even speak in terms of unionization, because the situation is so bad.

It is essential that the people and organizations such as unions which ensure a better distribution of wealth always have their say and that the debate is increasingly public, open and vigorous.

Because wealth is not evenly distributed, we have to ensure through the unions, through the governments, including those in Quebec and in Canada who have received a mandate and assumed their responsibility to distribute the wealth, that this will continue and that we understand that it is not by keeping the wealth in the hands of multinationals, in the hands of supranational corporations that make sovereign states powerless that we can achieve human progress.

There has to be in fact a better distribution of wealth, and tax shelters should be questioned and tax havens eliminated. This is a shameful process that allows those among us who are more fortunate to literally laugh at low wage earners, at the people who dutifully pay their taxes, because of all sorts of manoeuvres that the auditor general has condemned here in Canada, even if attempts were made to prevent him from speaking out in the finance committee, as I saw with my own eyes.

• (2015)

So I am very proud of the role that the opposition played today and I hope that the government will change attitude in the future.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, this bill has caused quite a stir, particularly across the way.

However, for the benefit of those who are listening, I would like to get back to the facts. There is no denying that, for many individuals and small businesses, this is an inconvenience. Small businesses that rely on cash flow and had to negotiate lines of credit did run into problems.

It is important to explain what happened. The fact of the matter is that Canada Post is basically a corporation where labour-management relations are poor. When labour-management relations are poor in any corporation, whether public or private, clients, whoever they are, may run into problems. I have seen the union try to resolve problems. I would have liked to see the Canada Post Corporation do the same. I thought that the threat of a strike, at

first, and the onset of the strike would bring them closer to a settlement.

But when, like many of our fellow citizens, I saw on television the negotiators representing the employer manhandle the union negotiator, I figured something was not right. I was a trade unionist in my days, but I never saw negotiators on the management side do anything like that during negotiations. Never. They are responsible for helping to settle the differences, even if the interests of the parties they represent are poles apart.

When I saw them go after the union negotiator, I suddenly lost any hope I may have had of seeing this dispute resolved other than from the outside. I deeply regret that postal workers are once again being legislated back to work. But I sincerely hope that their conflict and the aggravation caused to individuals and to small and medium size businesses will not have been in vain.

This is why I am extremely proud of what the Bloc Québécois has achieved in co-operation with the NDP. We negotiated with the government so that the act will be passed today, even though we are opposed to it, but with some changes to the mediation process. In the original bill, the mandate of the arbitrator was totally unacceptable for a corporation providing a public service. The most important aspects of this mandate are as follows:

9. The mediator-arbitrator shall be guided by the need for terms and conditions of employment that are consistent with those in comparable industries in the private and public sectors and that will provide the necessary degree of flexibility to ensure the short- and long-term economic viability and competitiveness of the Canada Post Corporation—

• (2020)

No mediator anywhere would be able to resolve a dispute under these guidelines. All the conditions for privatization have to be created. And the first point was about performing financially in a commercially acceptable range. This is completely inconsistent with a public service.

The government approved the amendment, a fact about which we are extremely proud, so that clause 9 now reads as follows:

9. The mediator-arbitrator shall be guided by the need for terms and conditions of employment that are consistent with the Canada Post Corporation Act

which is an act establishing a public service,

and the financial stability of the Canada Post Corporation.

The service must operate on a self-sustaining financial basis and workers agree.

That the Canada Post Corporation must, without recourse to undue increases in postal rates, operate efficiently, improve productivity, and meet acceptable standards of service, stressing the importance of good labour-management relations.

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What this amendment gives a mediator-arbitrator is a framework for helping to improve labour relations. With 45,000 workers, it is a strong union. Do people know that 17,000 of these workers have part-time positions—out of 45,000, that is a lot of people, one third—and that, during negotiations, the union wanted to convert part-time positions into full-time ones in the interests of effectiveness and efficiency?

When one of the main problems in Canada is employment, is it obscene for a public service to be concerned with converting part-time positions into full-time ones? Some countries opt for that option in order to solve their employment problem. Is it obscene? Is it senseless? On the contrary.

The mediator-arbitrator will be able to take this into consideration. His mandate is to stand up to the employer. It is crucial in this case, since the minister responsible was, I am afraid, unable to maintain the proper balance to put both parties on an equal footing during the negotiations.

When one party can always say no, knowing that, in the end, the legislation will be on its side, there can be no negotiations. We have to acknowledge that even if the government is saying “Well, we gave the negotiation process a chance to succeed”, we know it is not true, because the minister kept saying “We will give them a few days and then introduce a special bill”.

What we should wholeheartedly hope for at this point, as Quebecers and as Canadians, despite the dispute and the sad ending for the workers who must be terribly upset, is that the mandate of the mediator-arbitrator—and I hope the government will consult the union before appointing the mediator-arbitrator—will let him decide and make recommendations that will finally help to improve labour relations and the quality of the services at Canada Post.

From what I read, small and medium size businesses, who were most affected by the strike, do want postal services to resume, but they also want efficient services that meet their needs. The mediator-arbitrator will have the opportunity to follow up on this request by the public, by consumers and by small businesses.

That is why I am extremely happy that the Bloc Québécois and the NDP chose the position they chose instead of saying “Yes, postal workers have to go back to work because of the pressure”. Yes, postal services must resume, but not under just any conditions, not with workers who are appalled, who feel they have been treated so unfairly that they will not be able to put their hearts into their work.

Whether in the private or the public sector, the quality of service and the success of a business hinge on the workers.

• (2025)

They must be allowed to play a role, a role that can help these businesses, particularly these public service businesses, play their own role.

Mr. Paul Mercier (Terrebonne—Blainville, BQ): Mr. Speaker, I will start by showing that the bill we are discussing today constitutes a denial of the very concept of public service. I will then go on to demonstrate that this bill also constitutes a denial of the right to strike.

First of all, this bill constitutes a denial of the concept of public service. The parameters the government wishes to impose upon the mediator-arbitrator in his negotiations with the workers reveal that the government has a somewhat curious concept, to say the least, of what a public service is.

In this connection, like the hon. member for Mercier before me, I will read another excerpt from clause 9, because it speaks volumes. Under clause 9, the mediator-arbitrator shall take into account, and I quote:

(a) that the Canada Post Corporation must, without recourse to undue increases in postal rates,

(i) perform financially in a commercially acceptable range—

I say that, from the moment that a mediator-arbitrator is required to be guided by such a criterion, there can be no more talk of the Canada Post Corporation being a public service. Its principal function is no longer to be a public service, but to be a profitable service.

If it were only that the government needed to ensure that the Canada Post Corporation was self-sustaining, but this is absolutely not the case. The government wants Canada Post to bring in \$200 million. Delivering our letters and packages must be cost-effective, bring in money, as it would if it were a private company, and the target amount is \$200 million. The Canada Post Corporation becomes a cash cow the government can milk as much as it wants.

Imagine what would happen if this principle of an obligatorily profitable public service were to become the rule. VIA Rail would not exist. It, like all passenger railway companies, cannot exist without subsidies and is even less likely to turn a profit. VIA Rail would perish. Imagine what would happen if municipalities were hit with this principle of profitable public service. Imagine a police officer having to bring in fines worth \$60,000 before being hired at \$50,000. Would that not be something?

I return to my quote earlier. I go back to it, because Canada Post is supposed to achieve \$200 million without undue increases in postal rates. That is like saying that it is to achieve its objectives at a cost to its workers. That is so obvious. And even if we do not like

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strikes, we have to understand that workers really have no other way to defend themselves against this real aggression.

We all know that this strike hurts businesses and individuals, and if there is one part of the bill we agree with it is the part about returning to work as quickly as possible. However, what we absolutely do not agree with is having the negotiations involving the mediator-arbitrator conducted in the spirit of mercantilism. We cannot agree with that, and I, like my colleague for Mercier, are particularly proud that the NDP and we have come up with an amendment that will humanize this provision.

• (2030)

I now come to the second part of my speech, which will show that the bill before us is also a denial of the right to strike.

How could it not be the case, given that the dice were loaded from the beginning. The Canada Post Corporation has known since August that, should a strike occur, the government would immediately introduce back-to-work legislation to end it. Under these conditions, what does the right to strike mean? The act provides for this right, but the government makes sure that it is undermined, that it does not really exist, by saying “Ah, if there is a strike, we will take action to end it”. So, it is no longer a level playing field at the negotiating table. The government distorts the whole process, instead of applying the act and respecting its spirit. It is unbelievable.

It is unbelievable, but it is not. In fact, it is not surprising at all. Canada Post is nothing but a creature of the Liberal Party. The president of Canada Post is a former Liberal minister. The corporation is full of former or current friends of the Liberals. So, what happened should not come as a surprise. The predominating aspect of all this is the—I was going to say incestuous, but let us simply say family—relationship that exists between the government and Canada Post. The government is the father figure, while Canada Post is the son. The father will protect the interests of the son, particularly since the son will bring in \$200 million. So, it is all very normal.

To conclude, let me quote Karl Marx, whose slightly fascist tendencies are well known. About the system which he called capitalist—now known as market system—Karl Marx said that power of any sort, be it democratic or authoritarian, always takes the side of the employer against the workers. He said that, but he was wrong, although one might be inclined to think otherwise given what is going on here today. He was wrong because there is a way to ensure it is not so, to ensure that, in a democratic system, power is not necessarily on the side of the employer. And that way is called social democracy.

Mr. André Bachand: Like in Quebec.

Mr. Paul Mercier: The hon. member is taking the words right out of my mouth. I agree with him, that is the way the Quebec

government operates and the way it will continue to operate when Quebec becomes a sovereign state. I do not mean to say that, in a sovereign Quebec, there will not be any disputes like this one but, if there is a dispute, it will not be dealt with in such a way that the right to a public service that is truly public and the right to strike and to use it, which are two pillars of democratic life, end up trampled like they have been in this case.

The Acting Speaker (Mr. McClelland): Resuming debate. The hon. member for Vancouver East.

[English]

You are splitting your time. We are into 10, 10, and 5 minutes for questions and comments.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I will be splitting my time with the member for Winnipeg—Transcona.

I thank my colleague from the Bloc Québécois for his very good comments. We agree with just about everything he has said. It is good that the Bloc Québécois and the NDP stand in solidarity together in the House today to defend workers rights. This has truly been an historic day in terms of back to work legislation.

I would like to speak on several aspects of the back to work legislation, Bill C-24. I want to deal with the question of why the legislation became necessary in the first place. Back to work legislation would not have even been contemplated if the government had the political will and the principle to make the collective bargaining process work.

If the government were committed to Canada Post as a public corporation, we would not be here today debating this very draconian back to work legislation.

• (2035)

As we learn more about what has happened, what has really taken place in the last few weeks and months and now during the nine days of the strike, it becomes clearer and clearer that the minister and the government have had a secret agenda. The direction of the government has been toward back to work legislation.

There is no question that all of us as parliamentarians have heard the very deep concern from our constituents, from businesses, from pensioners, and from other Canadians who rely on the very necessary public service of Canada Post. We understand those concerns.

Why has the situation deteriorated so badly? Why are we now in a state of affairs where the government has rushed forward with back to work legislation?

The fundamental role and mandate of Canada Post are at issue. The government has created a financial and management crisis. When we look at the evidence we see that the government has demanded Canada Post to pay dividends or, let us say it, to pay

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profits. This public corporation must pay profits of over \$200 million over five years.

This flies in the face of what the government said in 1990 when in opposition. At that time it said that Canada Post should be instructed to generate only operating profits necessary to meet its own capital investment needs required to maintain and improve services. That is what the Liberals said in 1990 when they were defending and supporting a public corporation, but now they have changed their tune.

To understand the government's real agenda is to understand why we are here tonight faced with the legislation. My colleagues and I suggest that the government is setting the stage for further privatization. It is deliberately setting the stage to allow Canada Post to be run into the ground. The government has demanded high profits and has already created a two tier system of mail delivery.

For example, we have all witnessed the tragedy of Canada Post. It has closed over 1,700 public post offices in rural areas and 175 public post offices in urban areas. We have already seen the massive privatization that has taken place.

The government is deliberately destabilizing the credibility of the corporation to create a political environment to undermine Canada Post workers and to move forward on its agenda of privatization.

Members of the Canadian Union of Postal Workers have a legitimate interest to protect the jobs of their members and to secure full time work.

Is it not strange that parliamentarians, including the members of the government, profess concern about high unemployment? Members of CUPW are fighting tooth and nail to retain jobs in a critical Canadian public service. What do they get? They get legislation that slams them, legislation that ties the hands of an arbitrator to force feed the government's agenda. To add insult to injury the legislation imposes a wage settlement that is actually less than what was on the bargaining table.

The legislation is very draconian and has fines of \$50,000 and even \$100,000 per day. We have to stop blaming workers. We have to demand that the government act responsibly as an employer. It has already shown that it does not care about pay equity after 13 years. Now it has abandoned collective bargaining as well in its drive to destabilize Canada Post at the expense of workers.

It is essential for the government to seriously address the longstanding grievances of Canada Post and support the development of a positive labour-management climate designed to bring stability to the corporation and its workers.

The back to work legislation is draconian. It is heavy handed and shows the government's real agenda. Our amendment today has been a real effort to bring some fairness to the legislation. In the

final analysis we in the NDP reject the back to work legislation. We support the rights of workers to collective bargaining and to strike. We also support the development of a healthy public corporation and the best postal service for all Canadians.

• (2040)

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, earlier at second reading I had an opportunity to speak for a few minutes. I would like to pick up where I left off.

I was talking about how back to work legislation brings out both the best and the worst in parliament. I never did get to talk about the best, but I would like to elaborate on the worst for a while longer.

An hon. member: It is a longer story.

Mr. Bill Blaikie: "It is a longer story" as the member for Winnipeg Centre says.

I begin by congratulating the member for Winnipeg Centre on the fine work he has done today in successfully bringing a constructive amendment to fruition in the back to work legislation, Bill C-24.

He prevented the government from advancing the privatization of Canada Post in the guise of emergency legislation. This is what the initial instructions to the mediator-arbitrator are all about. They are trying to do indirectly what the government so far has not had the courage to do directly, that is to talk about the privatization of Canada Post which many believe is on its agenda.

Having said that, when I talk about bringing out the worst in parliament I am really talking about the motion the government moved yesterday, Motion No. 8. Because we were in the process of negotiating with the government with respect to the amendment I just mentioned, we decided not to oppose Motion No. 8 in the context of our discussions with the government about trying to get an agreement on the very important amendment we were putting forward.

All members of the opposition should be concerned about the nature of that motion. Basically the government could have done it without opposition and therefore with the consent of the House. It could have done it without the consent of the House. It could have been prevented from doing it on a particular day by 25 members rising in their place. It could have gone on to debate that motion until members of the opposition were exhausted, at which point the motion would have been voted on by the majority. It would have been decided by the House, by the will of the majority and not by the consent of the House, to deal with all stages of the legislation in one day.

This means that the government has in reserve what might be called the parliamentary dictatorship clause. We do all the other things we do here when we have first reading, second reading or

send a matter to committee, as long as the government does not want to have it right away.

That is not observed because it has to be observed. On days like today and weeks like this week we learn that it is not something guaranteed in the way we do business around here. It is just convention. It is courtesy. It is an optional process because when the government wants to do otherwise it can. That is what should worry all members of this House, particularly opposition members.

I wanted to say earlier that I was surprised the Reform Party allowed its zeal for putting workers back to work to blind its members to the precedent that they were allowing the government to set by using once again this draconian standing order without any objection on the part of the Reform Party and without the Reform Party ever asking for anything in return.

I see a parliamentary tragedy in so far as we all want to believe the Reform Party is sincere in its objection to the way the government sometimes abuses parliament. Here was a cardinal abuse of parliament and there was nothing but silence on the part of the Reform Party.

I understand why the Conservatives were quiet because they brought in this standing order in the first place. I believe this standing order was brought in, in 1991, by the Conservative Party. Perhaps they would have felt too embarrassed to get up and say that they really felt the use of this standing order was a bad thing because they created it.

• (2045)

One of the other things I do not understand is why the Liberals, when the Tories brought in this particular standing order, stood in their places in this House and decried it as a treacherous act against Parliament. I do not know why the Liberals sought to use this particular standing order and why they feel no compunction about using the very thing which they so decried in previous incarnations, particularly in opposition incarnations.

What I meant by the best was what we saw today in committee of the whole. Lots of members were present. It was perhaps the way Canadians imagine Parliament, with every member in the Chamber, with amendments being debated and with the government actually having to talk to the opposition to arrive at some kind of compromise.

In this case the Liberals felt, for whatever reason, that they wanted the approval of some opposition parties. They did not have to deal with the Reform Party because they already had its members in their pocket. However, for some reason or another they felt it was useful to have the NDP and the Bloc on side, so we were able to amend this legislation in a constructive way.

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Is that not what Parliament should be about all the time, instead of having what is normally the case with a majority government, which is a kind of parliamentary dictatorship for four years until there is another election to decide which members get to be the collective dictatorship for the next four years?

That is what I meant by Parliament at its best. Everyone is engaged. The government has to relate in a real, not a pro forma, way to the opposition.

That is my concern at the procedural level, but I want to say a word in the time I have left to the matter at hand, the question of the actions of Canada Post and the government and the situation which the Canadian Union of Postal Workers members find themselves in.

I want to address one particular thing, because obviously I cannot cover the waterfront, and that is the thing that we sometimes hear. I have heard it from some members of Parliament. We hear it on the street. We hear it here and there. People say these guys are paid good money. What are they complaining about? How do they have the nerve to go on strike, to ask for more, to demand job security or to demand that the jobs which are already there be protected?

This country, the country which people like, the country which the United Nations rates as number one or number two over and over again, was built on decent wages. It was not built on low wages. Every time some Canadian fights to keep their good wage everybody should cheer them on. They are fighting for all of us as we head down the road to a low wage economy which has been planned for us in the corporate boardrooms of this country year after year, starting with the Canada-U.S. Free Trade Agreement, the NAFTA, the WTO and now the multilateral agreement on investment. That is what has happened.

We are not doing our children and our grandchildren any favours by acquiescing to this, by saying we have to get more competitive. That basically means that families cannot make ends meet on one income any more. It is not just a question of wages being high or low, it is also a question of the social fabric of this country and the fact that families cannot finance themselves on one low income.

Many families can finance themselves on one decent income or on one high income, high income in the sense of high income for working people, the kind of unionized wages that have enabled a generation of Canadians to own homes, to put their kids through university, to have a new car once in a while and to have some recreational aspect in their lives. All of that was not possible for the previous generation and now we are saying that it is not competitive and we do not want it any more. We want to conform to a different global economic model in which we all have to scratch around like ants to make a living at the behest of the corporate elite

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who want us to take less and less both in terms of private wages and in terms of social wages.

• (2050)

The NDP is here to say we do not buy it. We do not buy when it is done to postal workers. We do not buy when it is done to railroad workers. We do not buy when it is done to anybody.

We are all in this together; one group of people who have been paid well historically are attacked and asked to accept less and less, whether they are Department of National Defence employees whose work is being contracted out or transformed through alternative service delivery and other euphemisms, or paying people half of what they used to make, not in order to save money. Sometimes it costs just as much to contract out. The people who are doing the contracting out are raking the money off the top instead of it going to the people who used to receive the same amount of money in the form of decent wages.

All this is wrong. Canadians ought to be standing shoulder to shoulder with all Canadians who stand up to this notion that somehow we all have to embrace the low wage economy and accept the fact that we will not have time to staff the community clubs, the volunteer groups and all the other things that have been done by Canadians because they did not have to spend their whole life making enough money to make ends meet. They could count on a decent wage and time left over to look after their children and to look after their community. We are losing that and it is because of legislation like this.

Mr. Mark Muise (West Nova, PC): Mr. Speaker, I will be sharing my time with my colleague for Richmond—Arthabaska.

[*Translation*]

All we can say today is: finally. But we must also ask ourselves why it took the government so long to show a little leadership in the labour dispute with Canada Post.

On November 17, exactly two weeks ago, we asked the Minister of Labour what he was waiting for to introduce back-to-work legislation. His answer was that we would do better to concentrate on what had already happened and what was in the process of happening, rather than on what might happen.

This response was very indicative of the laissez-faire attitude of the minister who has gotten us into the mess in which we now find ourselves. It was precisely because I took an interest in what had already happened and what was in the process of happening that I implored him to introduce back-to-work legislation.

Negotiations began eight months ago in April. They seemed to be deteriorating with each passing day and there was nothing to

indicate progress. If the minister had come back to earth, he would have seen that a postal dispute would have terrible consequences for many Canadians. He would have acted accordingly. But he refused to do so.

As a result, thousands of businesses have lost money and thousands of Canadians have had to put up with inconvenience and headaches that could have been avoided.

Consider for example small and medium size businesses. Last Wednesday, the Canadian Federation of Independent Business released the results of a survey of its members. According to this survey, the postal strike was costing an average of \$240 a day because of higher delivery costs, lost sales and late payments. It is estimated that total losses for small and medium size businesses are around \$200 million a day. This is absolutely incredible. And the government did nothing.

The Christmas period is very important, even essential, for many mail order businesses, but it is also an important period for charitable organizations.

These have experienced a dramatic drop in the money they raise. What is the government's answer going to be for these organizations who will not be able to do their work in their communities because of the Minister of Labour's lack of courage and because of the schemes of the minister responsible for Canada Post? There is not much that can be said about that, is there?

• (2055)

The social costs of the postal conflict are not limited to charitable organizations. I would like to read part of a letter that I received in my office by electronic mail.

[*English*]

It reads:

I want to make my child's support payment(s); I always make them by mail. My children need their support payments to survive. The Canada Post Corporation, the Canadian Union of Public Employees and the Government of Canada are stopping me from meeting my obligations.

The province of Ontario will deem me in arrears if/when I miss a payment. Yet we did not receive anything from the provincial government directing us what to do in the event of a postal strike. All businesses had plans.

The federal government's Bill C-41 ensures that I will lose my driver's licence, passport, credit rating, ad nauseam, all because of their failures.

Children starving, mothers struggling, being out on the street. Neither government or union care. Why didn't they think about the women and children prior to the postal strike. Why aren't they thinking about children and women?

I am sure you will agree that this is a very telling letter which shows the wide impact of this postal strike on everyone, especially the least fortunate.

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[Translation]

My colleagues also raised in the House the case of a man who could not purchase the insulin he required because he had not received his government cheque.

[English]

But the nightmare stories do not end there. In Newfoundland it seemed that the distribution process the department of human resources had set out was a miserable failure. When recipients showed up at the distribution centre they were presented with a computer print-out which they had to sign to acknowledge receipt of their government cheques. That would not have been so bad if the computer print-out did not also contain the names, addresses and cheque amounts of every other recipient in that community. This situation has prompted the privacy commissioner to review and evaluate if a breach of the Privacy Act has indeed occurred.

Why did this happen? There had been an agreement that the postal workers would distribute government cheques in the event of a strike. However, the government ignored that agreement and proceeded with its own agenda.

[Translation]

The most ridiculous in all this is that the minister knew, on Thursday, October 30, that the commissioner-conciliator was preparing his report and that a strike could legally start seven days later. Even when he had the report on his desk, the following Tuesday, he chose not to do anything.

Rather than introducing a preempting back-to-work bill more than a month ago, he chose to allow an interruption of Canadian postal services, which is harming businesses and charities, and inconveniencing millions of Canadians. This is outrageous, especially since the solution was so easy.

In October 1991, our government passed a law for the continuation of postal services. That law prevented a lockout or strike from hurting the Canadian economy.

It also put into place a mechanism for dispute settlement which allowed Canada Post and the Canadian Union of Postal Workers to come to a negotiated agreement without the cost and pain of a strike. In this case, because of the lack of leadership in the Liberal government, we had to wait until today for a solution.

It is somewhat late for thousands of businesses and charities which have lost money. It is also late for thousands of Canadians who rely on the post office and have suffered the consequences of the strike.

It is regrettable that they should bear the brunt of the incompetence of this government.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, I was surprised to hear the speech made by the member who just spoke, to see how he focused solely on the need for services without

blaming Post Canada for not respecting its employees in these negotiations.

• (2100)

Several members raised this issue, especially NDP and Bloc members, and they showed that these negotiations were nothing but a farce. In fact, the dice were loaded before the negotiations even started, and they pretended to negotiate. We ended up with a dispute that we know was caused in part by the government. The minister's speech a few moments ago confirmed—he addressed the House as if he were president of the Canada Post Corporation—that there was collusion between Canada Post and the minister responsible, whereas the minister should have been trying to bring the parties closer.

The member put all the blame on the union who went out on strike and complained about services not being provided to the public. But I think he was rather lenient towards the government in his speech and I want to know what kind of work atmosphere he thinks will result from the fact that the rates of pay provided for in this legislation by the government are lower than what Post Canada had offered. With regard to salaries, Canada Post had offered more than what is provided for in the bill.

Does the member not think that this is unusual in this kind of legislation? We must start from the offers that were on the table and ask the mediator to try to bring the two parties together, but not before the conciliation process begins with this new mediator appointed by the minister under this bill. Our motion to amend clause 8 of the bill so that the mediator can be chosen in consultation with both parties was rejected.

So I ask the member if he would agree to recommend to the government that the mediator be appointed in consultation with both parties and that the rates of pay provided for in the bill be the same as those offered by Post Canada.

Mr. Mark Muise: Mr. Speaker, my answer is yes. We voted in favour of this.

Mr. Jean-Guy Chrétien (Frontenac—Mégantic, BQ): Mr. Speaker, I listened with great interest to what my colleague said, but I would like his opinion on the member for Anjou—Rivière-des-Prairies.

As you know, I come from the academic community. I was there when my colleague, the member for Anjou—Rivière-des-Prairies, visited the asbestos mining region in order to proclaim the virtues of the CEQ. He had sought inspiration from the famous colonel, colonel Kadhafi, whom you certainly remember.

In 1972, a special bill was passed in Quebec, a bill similar to the one which will soon be put to the vote. My leader at the time, who is now the member representing the poor people of Anjou—Rivière-des-Prairies, is about to vote in favour of a piece of legislation quite similar to the one passed in Quebec under Robert Bourassa. In those days, they did not hesitate for a single second

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before putting him in jail with his two partners, Marcel P  pin and Louis Laberge. He was incarcerated for twelve months because he had encouraged his followers to defy the law. Today, I ask my colleague what he thinks about a man like the member for Anjou—Rivi  re-des-Prairies, a flip-flop artist who follows power, the power of money.

Mr. Denis Coderre: Mr. Speaker, I rise on a point of order. I would not want to compare Marxist-Leninists on each side, but I would like our distinguished colleague, who is an honourable man, to withdraw—

The Acting Speaker (Mr. McClelland): This is not a point of order but of debate.

[English]

In response, the hon. member for West Nova.

• (2105)

Mr. Mark Muise: Mr. Speaker, the true question here today is what the Canadian public, small and medium size companies and charities have suffered over the past weeks since the postal strike began. That is my concern and that is why I made my interventions this evening.

[Translation]

Mr. Andr   Bachand (Richmond—Arthabasca, PC): Mr. Speaker, first, a few comments, because throughout the day we have listened to what others had to say about the back to work bill before the House. It is with some reluctance that the Conservative Party will vote for this bill. I must say however that we will be consistent with the statements we have made in the past.

I will review the comments made by some hon. members from the Bloc and the NDP. For instance, the hon. member from the NDP who spoke before my hon. colleague said that we have a parliamentary dictatorship, that parties argue at election time to see who will get the parliamentary dictatorship.

One thing is sure, the New Democrats have no chance at all of being part of this so-called parliamentary dictatorship. However, I would like to point out that they are very closer to a proletarian dictatorship, something that does not seem to have worked in Europe. So, we have nothing to learn from the kind of dictatorship the NDP could propose.

Some have argued wrongly that Canada Post will become a cash cow, when this crown corporation should just break even. I would like to remind our friends from the Bloc that, in the province the Quebec, those very same criticisms are made every day about Hydro-Qu  bec. But Hydro-Qu  bec keeps increasing its rates and reducing its staff so that the Quebec government can benefit from higher dividends.

We have to be careful about the statements we make. We may be against the legislation before us today, we may be against a lot of things, but we have to be sure of ourselves when we give examples. For instance, some people said Quebec is the realm of social democracy, but let me remind my colleagues that successive Quebec governments, whatever their political stripe, have introduced since 1975 or 1976 the largest number of special back to work bills setting conditions of employment. The hon. member for Frontenac—M  gantic should know about that. The wage scales of teachers in Quebec have been frozen now for more than six or eight years. He should be aware of that. And it was a social democrat government that implemented the freeze.

That having been said, Bloc and NDP members have made a great deal of the amendment they managed to wrest from this dictatorial Liberal government, an amendment on clause 9 which we did not support.

Let me remind them without demoralizing them too much that clause 9 deals with economic stability the Canada Post Corporation must achieve without recourse to undue increases in postal rates. They should have listened to what the minister responsible for Canada Post had to say this afternoon. He made a commitment not to increase postal rates in the next two years and that the inflation rate would apply in the third year. Therefore, this clause does not mean anything. But I do not want to discourage them. That is part and parcel of parliamentary politics.

The worst part in this bill and in the 1991 bill and all previous back to work legislation is that, as a matter of fact, the normal negotiating process did not take place. We do not need a strike to realize it did not take place. There is and there has been a big problem at Canada Post for years, for decades.

Several previous governments have tried to address this problem. In the past we had strikes and labour conflicts every year and a half to two years and a half or so, with postal workers and letter carriers taking turns. We tried to create one big union in order to have a better balance in the negotiating process. Unfortunately, it did not work out.

With this bill before us today, only one party has moved amendments to prevent this type of legislation from being needed again in the future. We had three amendments, including one on clause 21, but they did not get the support of government members, of Bloc members or NDP members.

Those amendments required the employer, Canada Post, and the union to start considering right away a new process for negotiating and ratifying the collective agreement. Those amendments have been criticized. But when the time comes to find a solution before the end of the next agreement, none of them will be around.

• (2110)

When we want to bring in real solutions, they are not there. We have brought forward solutions. However, it must be recognized

that there is an imbalance in the negotiation process in that there is no negotiation process. In dealing with crown corporations, there is always that sword the government can dangle, special legislation from coast to coast. In the last 30 years, numerous special bills have been introduced by all governments, be they social democrats, white, red, blue, right wing or left wing governments. It has become fashionable to bring in special legislation. There have been cuts everywhere. Governments are now governing with special laws.

However, I remind the other parties, the people of the union as well as those of the Canada Post Corporation and the public that we have brought forward solutions to prevent strikes and special legislation, but our friends of the New Democratic Party and those of the Bloc Québécois have opposed them. As for the Reform Party, its only proposal dealt with a small mechanism in the special law, a binding arbitration process applying to this collective agreement, but it says nothing about the future. Frankly, it is extremely disappointing.

Bloc members should stop playing holier than thou because their cousins in Quebec City are doing exactly the same thing. They should remember negotiations last year and this year. Before having the honour of being elected to the House of Commons, I was a mayor. The government sent us a bill. Whether it was right or wrong is not the question. It told labour and everybody else "Labour costs have to be reduced by 6% or we will bring in special legislation". What kind of negotiating is this? This is not negotiating. The same thing is happening now with Canada Post.

What we want to do today is put the process back on track because we in the Conservative Party know one thing, namely that we have a labour code, we have a charter of rights and the right of association cannot be tempered with. However, when you deal with a service deemed essential to the operation of a country, province or area, one must look at the negotiation mechanisms. Maybe we should stop crying foul and sit down to find solutions. But our friends next to us, mainly on our left, but also on our right, do not agree that we can sit down and put the negotiating process back on track. We have witnessed everywhere, especially in the Asbestos area, a great improvement of labour relations. Why? Because of the setting up of a co-op. This example has occurred in a Quebec town. My friend from Frontenac—Mégantic knows all about it.

We can take initiatives, we can be original, we can propose amendments, as we did. However we ask that others listen, open their mind, stop being partisan saying "We support unions" or "We support employers". This is not what it is all about. We support people. We support Canadians and Quebecers. This is what the Conservative Party stands for.

That having been said, I will conclude. Those who followed the debate heard the minister responsible for Canada Post declare that he will review the process and the mandate of the Canada Post

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Corporation. I invite everybody to keep a very close eye on the minister because he often makes promises he does not keep.

For our part, we will keep an eye on him. Bear with us, Mr. Speaker, through our critic for the Canada Post Corporation, we promise to bring you alternatives. We just hope that our friends in this Chamber will be willing to co-operate with the Conservative Party so that we never again have to see special back to work legislation brought in under conditions that do not please anybody.

[English]

The Acting Speaker (Mr. McClelland): Questions and comments, and we will keep them short and sweet. It will be the hon. members for Richelieu, Waterloo—Wellington and Hamilton—Wentworth in that order.

[Translation]

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, I would like to thank you for giving me the floor. I was surprised by what the last speaker said.

• (2115)

He is a member from Quebec and, accordingly, during the election campaign, he said that he would defend Quebec's interests. However, in a quite exceptional situation, in an important debate on back to work legislation applicable to postal workers, he came here in the House of Commons to say that Quebec did this, that Quebec did that. He came here to make a speech against Quebec. This is surprising because he should be talking about Canada Post.

Second, there was a contradiction in his speech. He talked about dictatorship. I would like to know if he really came here to defend Quebec's interests.

He referred to the government as a dictatorship. And when a government acts in a dictatorial fashion, is it not normal—

The Acting Speaker (Mr. McClelland): The hon. member for Richmond—Arthabasca.

Mr. Louis Plamondon: I need only two minutes, Mr. Speaker.

The Acting Speaker (Mr. McClelland): No.

Mr. André Bachand: Mr. Speaker, if the hon. member listened carefully, and I urge him to read *Hansard*, he will know that, when I spoke about Quebec, I was only giving one example among many.

I was saying that particularly in Quebec—

Mr. Louis Plamondon: You criticized Quebec.

Mr. André Bachand: One of my honorable Bloc colleagues talked about Quebec as being a paragon of social democracy, having no problem, no special legislation.

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I was saying that, from one ocean to the other, from Newfoundland to British Columbia, special legislation has been introduced—

Mr. Louis Plamondon: You spoke only about Quebec.

Mr. André Bachand: Yhat was the way to negotiate. The founder of the Bloc Québécois, who has now moved to Quebec City, is willing to go ahead with special legislation anytime. And as for Quebec, I will always defend it.

[*English*]

Mr. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, there is no question that Canadians want their postal service back at this time of the year.

I know that the member is a former mayor and former municipal councillor and it was in that role when I was on regional council of the Regional Municipality of Waterloo that I first got to deal with the Canada Post Corporation. I must say that whether it be supermailboxes or junk mail, the post office management has been less than co-operative.

I can say that prior to the last election the process was changed so that homeowners could refuse junk mail or ad mail.

[*Translation*]

Mr. André Bachand: Mr. Speaker, just to complete the municipal aspect, for a number of years we had to battle to maintain or improve services in rural communities, in Quebec and elsewhere.

When I was a mayor and a regional councillor, there was one municipality, Saint-Camille by name, which became a cause in its efforts to keep its post office open. We fought for that. Yet today there is talk of negotiation, of special legislation.

What is being said is that we are the only party here today, and I would like everyone to remember this, the only one to table amendments to improve the process for negotiating and ratifying the collective agreement. No one else, no party in this House, rose to support us in this.

[*English*]

Mr. John Bryden (Wentworth—Burlington, Lib.): Mr. Speaker, when looking at the union's wage demands, I wonder what his reaction is. Did he feel that they were excessive demands? Does he feel what is proposed in this legislation is appropriate?

[*Translation*]

Mr. André Bachand: No, Mr. Speaker, we do not think they were excessive demands, absolutely not. What we would have liked to see first of all is for the mediator-arbitrator to be able to have the opportunity to negotiate all working conditions with both parties, including pay.

In the parliamentary game of procedures and amendments here today, however, it has been impossible for us to support this request. However we feel that what is in the bill is an acceptable minimum for both parties. It is a worthwhile basis for negotiation, which also reflects what is being done elsewhere, as well as reflecting the rate of inflation in this country.

Mr. Louis Plamondon: Mr. Speaker, on a point of order. It is about the way you allocate speaking time.

It seems to me that it is parliamentary custom in a debate to alternate between those in favour and those opposed. As the Liberal Party and the Conservative Party agree on the bill, would it not be usual for you to give preference in speaking to those opposed to it to create a healthier debate, as is normally the case in the House of Commons?

• (2120)

[*English*]

The Acting Speaker (Mr. McClelland): There is no question this evening that that general principle has been followed. The Chair would also like to ensure that everyone who is here has a chance to participate in the debate and that it flows and ebbs and flows pretty well.

Hon. members will know that if there is more than one or two or three or four members who rise in question and comments who want to get a question in, you may notice that I tend to cut the questions off so that more people can participate and we can have a debate.

I will try to keep it going back and forth and I will try to keep it going quickly. Your comment is well made. We do have to get to debate but there is a whole House full of people here tonight.

[*Translation*]

Mr. Denis Coderre (Bourassa, Lib.): Mr. Speaker, there are two sorts of laws. First there are those the government proposes because it wants them, like those providing work, strengthening the social safety net or improving the justice system. Then there are those that the government is obliged to adopt. I think it is obvious to all the members at least on our side that this bill belongs in the second category.

I rise to speak today, because I think it is time to set the record straight. We have heard all sorts of mud slinging from the members of the Bloc. They tried to get at my colleague and friend the member for Anjou—Rivière-des-Prairies, who, by the way, beat a Bloc Québécois member by over 10,000 votes. So I think that people are intelligent in the riding of Anjou—Rivière-des-Prairies. If they elected him with a 10,000 vote majority, and if they elected me with a 9,000 vote majority, that means something. It also means they elected someone from Anjou—Rivière-des-Prairies with labour experience. This is another plus for the Liberal government.

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One thing is certain. I have nothing to learn from the likes of the Bloc Québécois, these PQ champions of special legislation, of going back on a signature. Remember 1982. If the member for Frontenac—Mégantic were a teacher, he would remember that the PQ government introduced a special bill, Bill 111, which repudiated the signing of collective agreements and cut his salary by 20%. That is a gang that works for workers. Give me a break. If they say our minister takes himself for the President of Canada Post, I do not know whether they look like the union president, but there are certainly problems. This special legislation was one hundred times worse than Bill C-24.

And to top it all, who was the chief negotiator at the time of Bill 111? None other than Lucien Bouchard. That must hurt. So I have nothing to learn from them.

Once again, when we do not agree with the Bloc Québécois, he begins howling that we are not defending Quebec's interests, believe it or die. We are losing \$54 million a day. Across Canada, including Quebec, charitable organizations have been losing more than \$10 million a day. The Salvation Army, Jeunesse au soleil, these people who collect food and money to help the less fortunate could not get this money because of the postal strike.

We are not pleased with this strike, nor are we pleased to have to pass this special legislation. This is clearly a responsible government, which has let both parties negotiate during eight months with the help of our best mediators, in the person of Marc Gravel and Warren Edmondson—no one can say that Edmondson and Gravel are not good mediators, they are the best—but the parties did not come to an agreement. If I had to choose between our mediators and the Bouchard guys, I am sorry, but I think I would rather trust ours.

Before I go any further, I forgot to mention that I will be sharing my time with my hon. colleague from Waterloo—Wellington. You did get that, but I wanted to make sure.

• (2125)

We are losing \$54 million per day. Dozens of jobs are lost.

Mr. Réjean Lefebvre (Champlain, BQ): On a point of order, Mr. Speaker. It takes unanimous consent to share one's time. The hon. member asked to share his speaking time with his colleague. He needs unanimous consent to do so.

The Acting Speaker (Mr. McClelland): Unanimous consent is not required at this time.

Mr. Denis Coderre: Mr. Speaker, I can talk for 20 minutes if you want. You want me to conclude? Fine. I can come back if you want. I can talk for a long time.

One thing is certain: this government acted responsibly. It took its responsibilities. We believe in the right to strike. We believe in collective bargaining. We let the two sides have a go at it.

Do not get me wrong: I have nothing against the union or its members. I have absolutely nothing against the union or its members, but when I hear the Bloc lecturing us at every opportunity, I cannot accept it and I wonder who is working for who. I have a right to ask myself this question.

When \$54 million are lost every day, when charities are deprived of millions of dollars that are needed to help the poor, the government must act responsibly. When the public does not get the service to which it is entitled, the government must govern and take its responsibilities.

If you do not agree with this, ask the public, ask all those who are watching us. The thousands of people watching us today will understand one thing. They will understand that members on this side who will vote for the special legislation are looking after the interests of Quebecers and all Canadians. Again, I just realized why, in the latest poll conducted in Quebec, 54% support the federal Liberal Party, while 30% support the Bloc Québécois.

The Bloc Québécois may kick a big fuss, it may try to tarnish our reputation, it may talk nonsense, the facts are there and people who are watching us will judge for themselves. There are those who will be voting for this special law—it is not perfect, but one thing is clear, this 540-page collective agreement will be in effect. If you want me to read parts of this document, I could do so all night, but if the average person had such a collective agreement, he or she would be very, very happy.

When someone can receive jackets, trousers, hats, caps, and shirts, when someone has five days off to get married and when his or her spouse has the same benefits—and I have nothing against that—these are the result of negotiations, and negotiations are a good thing. The special law, when it is passed, will be extending this collective agreement.

They still have another chance. There is one vote remaining. I congratulate the member for Saint-Bruno—Saint-Hubert who had the courage to do what she believed in and who said “For me, this is not how it should be. I am on the side of the people and I support the special legislation”.

If I hear the member for Terrebonne—Blainville quoting Karl Marx, the other friend of his leader, I will end by quoting Mao. He said “Cow dung is more useful than dogma. At least it can be used as a fertilizer”.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I will let the people decide whose attitude is more proper with respect to this bill, which

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led the Liberal government to accept an amendment by the NDP, supported by the Bloc Québécois, an amendment that the Liberals accepted to ensure that negotiations would be carried out in accordance with the law governing the Canada Post Corporation.

I am not at all ashamed to go before the citizens of Quebec, to ask them to decide who had the more proper attitude with respect to this bill.

• (2130)

Is it the Liberal majority that spent four months, with the help of the minister of public works who is also responsible for Canada Post, behind these phoney negotiations to arrive at this special legislation?

What we, in the opposition, tried to do is to ensure two things, the first being that the rights that are part of the tradition of Quebec and Canada in the area of labour relations be respected, and the second being that the public can receive postal services as quickly as possible. We should not forget that there could have been three, four or five days of debate in this House, but there was appropriate co-operation. I am not ashamed to explain this to the people in my riding.

My question is for the member for Bourassa. Should he not be congratulating the Bloc, the NDP and all opposition parties for the co-operation and the professionalism they have shown?

Mr. Denis Coderre: Mr. Speaker, when a member is asking questions and is on the defensive like he is, when he has to resort to crisis management in his speech, I think I was right to speak the way I did and that, once again, the government was right.

One thing is sure, we stood up for Canadians. I conducted a survey in my riding and 76% of the people agree with this kind of legislation. Of all those who called me, 76% said they agreed. There are even postal workers in my riding who told me they are eager to go back to work, that they understand and they will go back to work.

So it is clear that those people over there have lost touch with reality.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I want ask the member a question, but I will make a comment first.

I think everybody in Canada knows that I am a unionist. I have worked hard for the workers of this country, especially those in my area which is economically disadvantaged. The member for Bourassa insulted us a while ago. He insulted the workers of this country when he insulted unions.

Would my colleague have the guts, the courage to stand up and apologize to the workers of this country?

Mr. Denis Coderre: Mr. Speaker, first of all, I want to recognize the work the hon. member has done because he is an honourable man.

The hon. member for Acadie—Bathurst is an honourable man. Those who know me know that, for 15 years now, I have been involved in public life and working for the workers. My father was a carpenter. I come of working-class stock and I have always stood up for the workers.

But when we put questions to workers instead of union representatives, we do not always get the same message. So, it is not because we do not agree with him that we are against unions or against union members. Surely this piece of legislation will help our citizens get their services back. It will preserve jobs and help the needy.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, I will not take up much time.

I agree with the hon. member for Acadie—Bathurst who just spoke. I would like to give the hon. member for Bourassa the opportunity to make amends for what he said this afternoon. He just stated that he has some respect for unions and union members.

I want to remind the House of what he said earlier this afternoon. He said that the union refused a settlement. He said the employer came up with a settlement and the union turned it down, and that the rules of the Treasury Board must be applied. He added that it was time to introduce a special legislation—

The Acting Speaker (Mr. McClelland): We are running out of time. Please, give a short answer.

Mr. Denis Coderre: Mr. Speaker, again, it is too easy to quote things out of context. One thing is for sure, yes, it is true, a package deal was on the table that could have allowed these workers—

Mr. Jean-Guy Chrétien: Apologize.

Mr. Denis Coderre: If it had been put to union members, they might have accepted this settlement. What is certain—

Mr. Jean-Guy Chrétien: They might have.

Mr. Denis Coderre: No, I will not apologize and say the same kind of drivel as my friend the member for Richelieu because I said what I said. I said that we need this special legislation based on previous settlements negotiated with Treasury Board because we are proceeding in a responsible manner.

• (2135)

[English]

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I too rise today to speak on Bill C-24, the Postal Services Continuation Act and to express my support for the legislation which provides for the resumption of postal service and sets up a procedure for the settlement of issues which resulted in the disruption of postal service.

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I must indicate that I am less than enthusiastic in my support because back to work legislation always signals a failure in the collective bargaining process, a process that I believe to be a pillar of our democracy and an instrument for economic and social progress.

Specifically the bill establishes a duration of a new collective agreement for Canada Post Corporation and the Canadian Union of Postal Workers, that is three years. It also includes wage increases for CUPW members of 5.15% over that three year period. The other key issues in dispute, namely job security, part time work and the length of the letter carriers' routes will be settled by a process known as mediation-arbitration.

In this dispute resolution method the mediator is equipped with the power to settle unresolved issues by binding arbitration in the event that they are not settled by mediation. As specified in this legislation, the mediator-arbitrator's report along with terms and conditions established by this bill will form the basis of the new collective agreement.

The federal government had no choice but to act legislatively to restore regular postal service to Canadians. The economic costs to Canadians of a prolonged work stoppage would have been immense. Thousands of Canadian business firms and their employees depend on the postal service. A lengthy disruption in postal service would threaten the economic viability of those enterprises and thus place the jobs of those employees in serious jeopardy.

Numerous Canadian charities rely on the mail service for support and donations at this time of the year. Many of them receive most of their income during this Christmas season.

Many Canadians count on the post office during this time of year as well to communicate greetings and good wishes to family and friends. Despite the increased use of the Internet and e-mail, and despite the availability of efficient courier services, most Canadians still depend on the post office to send messages and parcels.

With respect to those who receive government assistance, while contingency plans have been put into place for the delivery and distribution of pension and welfare cheques, there is still the chance of non-delivery or delays which would cause undo hardship on recipients.

Finally, there is the cost to the parties themselves of a lengthy work interruption. Canada Post has been losing millions of dollars a day and the workers have been losing huge amounts in wages. It is in no one's interest to see Canada Post Corporation brought to its knees.

In short, the public interest requires that the federal government bring forward this legislation. The public interest requires that the federal government end the economic hardship and uncertainty caused by this work stoppage. The alternative, to let the work stoppage drag on indefinitely, was no alternative at all.

Having said that, and having argued the point for the general good that Bill C-24 is necessary, I would also express my great disappointment that the two parties were not able to come to an agreement on their own. As I stated at the outset of my remarks, back to work legislation always means a breakdown in the collective bargaining process.

Collective bargaining is one of the great processes that we have established to help us resolve workplace disagreements in an orderly, democratic and peaceful way. History and empirical research have shown that collective bargaining has been an effective tool for the promotion of both economic development and for social justice. It is also a form of self-government which encourages the parties to devise their own responses to the issues which divide them. For all of these reasons, collective bargaining is very important in this process.

I do not believe that I am alone in thinking this way. I am sure that most Canadians prefer to see negotiated settlements to labour-management disputes. I am certain too that both Canada Post Corporation and the Canadian Union of Postal Workers would prefer to devise their own solutions in these issues.

I would have liked to have seen more flexibility given to this process including in the wage area. Further negotiation in this area by the two parties would have been desirable as opposed to the imposed wage settlement.

There are some in the trade union movement and some in the New Democratic Party who would strongly criticize the government for bringing in this back to work legislation. I can genuinely understand their position, but I would ask them at what point was the government supposed to act.

Was it when Canada Post reached the point of no return financially? Was it when thousands of Canadian businesses went under and jobs were lost? Was it when Christmas had come and gone and Canadians were unable to communicate with their friends and family? Or was it when numerous Canadian charities had to start to lay off staff and were unable to meet the needs of the very people they serve?

• (2140)

As an objective observer would no doubt conclude, the parties had ample time to reach an agreement. They also had ready access to the very able professionals in the Federal Mediation and Conciliation Service to help them in their efforts, but they obviously could not come to an agreement on their own thereby making the intervention of the government virtually inevitable.

I note that the Reform Party, the party that always espouses less government, has been screaming for government intervention for some time. Apparently, according to the Reform Party thinkers, less government is always a preferred policy approach except when Canadian workers are exercising their legal rights. Then it would

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seem that more state intervention becomes more apparent and more acceptable to them.

In my view, both the official opposition and the New Democratic Party have failed to take into account all of the complexities of the issue. They have failed to see that all the stakeholders have legitimate rights and concerns and that some kind of balance must be found. That is what effective governing is all about. It is about taking everybody's legitimate concerns seriously. The government has done that and therefore I recommend passage of this bill.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I should remind my hon. colleagues on the backbenches of the Liberals that it was this government that brought the situation to this point.

Last August the minister of public works promised John Gustavson of the CDMA that there would be back to work legislation regardless of what happened in bargaining. Then he denied it. Then he reiterated that it was true. It was not the postal workers or small business that caused this uproar. We should not even be here tonight. It was this Liberal government that made promises behind the back of the negotiation process. That is where the problem was, and the NDP stands behind bargaining.

For the minister to make the accusation that we would in any way try to deflate small business in this country is simply scandalous. The fact is—

The Acting Speaker (Mr. McClelland): The hon. member for Waterloo—Wellington.

Mr. Lynn Myers: Mr. Speaker, I remind the hon. member opposite that the government has worked very hard in this whole process to ensure that we did the right thing. The mediation process and the negotiation process took place in a reasonable and fair manner as it should take place—

The Acting Speaker (Mr. McClelland): The hon. member for Kootenay—Columbia.

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, I am speaking on behalf of the postal workers in Revelstoke. They are asking me to speak against the back to work legislation and other items, which I cannot do because I do not believe it is in the best interests of Canada that I do that.

One of their demands is for the resignation of the current minister responsible for Canada Post. The member will be very interested to learn that I happen to agree with the NDP and I agree with the CUPW workers from Revelstoke—

The Acting Speaker (Mr. McClelland): The hon. member for Waterloo—Wellington.

Mr. Lynn Myers: Mr. Speaker, I thank the hon. member for the question. The minister along with the government has worked very hard to ensure we get the postal service working again. I think it is appropriate that we do this tonight and get on with the process.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I have here a disciplinary letter that has been sent to a postal worker, and I would like to know whether the hon. member agrees with this.

The letter is signed by Yvan Grenier, a manager in the Quebec area, and it deals with the incidents of September 29, 1997: "This letter concerns your involvement in the incidents that occurred on September 29 at the Henri-Bourassa letter carrier depot. You reported to work without wearing the proper uniform required by Canada Post in contravention of clauses 303 and 34.10 of the collective agreement, and you began your work. At about 7.30, you were advised by Mr. Gaston Roy that you were required to wear the postal uniform—"

The Acting Speaker (Mr. McClelland): The hon. member for Waterloo—Wellington has the floor.

[*English*]

Mr. Lynn Myers: Mr. Speaker, I do not know the circumstances surrounding that but it seems to me that is a normal grievance procedure and should be dealt with accordingly.

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, during the hon. member's presentation I wondered at what point the government should have intervened. The point at which the government should have intervened was to be negotiated over the summer so that this situation did not arise in the first place.

• (2145)

The hon. member also mentioned the fact that because we are discussing back to work legislation it amounts to a failure. The failure is the government not getting this done so we are faced with back to work legislation. That is the only reason we are supporting the legislation.

Mr. Lynn Myers: Mr. Speaker, negotiations took place. The process that took place over the course of the last number of months was an important one. It was something that we as a government needed to see take place, and here we are tonight doing the right thing on behalf of the Canadian people.

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I have a specific question for my colleague. Tonight, he saw how the

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member for Abitibi acted in this House when he took off his jacket and asked one of the workers to go downstairs and slug it out. Is this the kind of government we have here in Canada, the one that says it is not in favour of violence? Tonight, we saw how he acted, and then the other one who insulted the unions—

Mr. Denis Coderre: Mr. Speaker, I rise on a point of order. This is demagoguery and he knows full well that provocation was used upstairs—

[*English*]

The Acting Speaker (Mr. McClelland): That is not a point of order and it is out of order.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, we could certainly resume debate—

[*Translation*]

Mr. Guy St-Julien: Mr. Speaker, on a point of order. I listened very well to my colleague, who is a great advocate, a good worker, an excellent member of Parliament. But when he said, on the same point of order, that—

[*English*]

The Acting Speaker (Mr. McClelland): With respect, that is not a point of order. The hon. member for Edmonton North has the floor.

Miss Deborah Grey: Mr. Speaker, we will let the boys carry on in the background.

I want to close the debate with some pretty serious thoughts and some pretty serious concerns about what we are facing across the country right now in terms of 31 million people being without postal service. I am sure, with the noise going on behind me, that they have an equal number of concerns about the postal strike.

Let me make a few comments about some of the things the constituency of Edmonton North has been facing and talking about regarding this postal strike. People were concerned that the postal strike would occur. They were trying to make alternate arrangements for the delivery of mail. They were trying to make sure their voice was heard and that Canada Post, which is a monopoly, was not going out into a strike situation. We certainly hoped that as well.

The Reform Party believes in the collective bargaining process. We believe in conciliation. We believe in the mediation process. We were truly hoping that the situation would be resolved, that CUPW and Canada Post would get along, and that we would have good, sure, safe delivery of mail, especially in this Christmas season.

Unfortunately that did not happen. The member for West Kootenay—Okanagan asked for an emergency debate on the very

day the postal strike happened. We knew what would happen if it got into a crippling situation with mail right across the country. Government ministers such as the Minister of Labour would stand, as they did for days after in question period, and say “I will look after the collective bargaining process”. That is exactly what made me and the people in my riding nervous. We heard him say “I am the one that will look after everything”. It made the hair on the back of my neck stand up.

Two weeks later here we are with a postal strike that has cost an estimated \$3 billion. The government could have done this on the very first day. It could have bargained in good faith. It is just a terrible thing. Maybe we should label the Minister of Labour the \$3 billion man. That is what it has cost. They put this thing off and off.

I heard last week that there would be a picket in my constituency office in Edmonton North by some CUPW workers.

● (2150)

Those who worked with Canada Post were out on strike and they came to my office on Friday morning. I phoned and spoke to their union representative and said: “I look forward to talking to you. I am not going to lock my door on you. I believe your members have the right to protest peacefully.” It was certainly a different scene than what we saw when the Prime Minister shouted down those people who were peacefully demonstrating at the APEC conference where the RCMP had ordered pepper spray in their faces.

I said to these union members: “Come into my office. I would like to talk to you about this situation.” They came in and I had coffee and Tim Horton’s donuts ready for them and we had a really good visit. I spent 45 minutes talking with them. A couple of the union people said: “We think we should negotiate a settlement.” I said: “I agree with you. We should negotiate a settlement.” Unfortunately, both sides just were not able to come to any sort of an agreement. I said: “There has to be a better way to solve this thing than having four strikes since 1987; two in 1987, one in 1991 and another one in 1997.”

It does not matter if the Tories or the Liberals are in power, it goes back and forth. Basically, it is just the flip side of the same loonie. Whoever is in power, the other side goes hysterical and says: “You simply cannot do this.” Then the other side that is in opposition goes hysterical also.

There has to be some long term solution so that we are not going to continue to face postal strikes for the next 10 or 15 years, if they are allowed to keep the monopoly.

We have to ask the question: is there not a better way than the opposition and the government going crazy and then flipping sides? There has to be a better way.

We think that final offer arbitration is the way to go. If someone happens to work for Safeway and goes on strike, and we believe

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that there is a right to strike peacefully, then we can always buy our groceries at the IGA.

The Maple Leaf meat processing packing plant in Edmonton is on strike right now. We could buy wieners at Schneider's. We have a choice. But when Canada Post goes on strike, that's it, especially if you happen to live in rural Canada. There are not a lot of options to delivery service.

We say that there are places and times that are so important that final offer arbitration is when we should ask: "What is your bottom line, side A? And what is your bottom line, side B?" Then someone can come in and arbitrate that so that we do not get into a crippling situation such as we have again for the fourth time in 10 years. It is an essential service.

A lot of people have fax machines, so they do not care if Canada Post is out on strike. A lot of people do not have fax machines or modems on their computers, or UPS or Purolator service. I have lived in places like that where the last thing one would see is a Purolator delivery service, which does cost extra money.

The postal service is fundamental. On the day that the strike was called, my colleague, our critic for the postal service, the member for West Kootenay—Okanagan, asked for an emergency debate. It seems that just in the last 24 or 48 hours the government has decided that this is an emergency. Surely to heaven it knew something was coming down the pike and we were going to have some serious problems before Christmas. Of course, there is a huge bulk of mail that goes through at Christmas.

When these people came to my office on Friday, I spent 45 minutes with them. We discussed the situation and I told them I had heard from a tremendous number of people in my constituency that want the postal workers to return to work. I was challenged about that by one of the union members who said that he did not believe me. He thought they represented the majority of my constituents because they had brought a pile of letters with them.

Most of these people were not from my riding but those from Edmonton North came and said: "Okay, here you are. We have the majority now. We must outweigh the number of phone calls and the number of people who have complained. We represent the majority now and you as a Reformer are bound to vote the majority consensus of your constituents." I said: "You are about 100 here today". I have about 100,000 constituents and I certainly have not heard from all of them. But I was challenged by the postal workers to ask: "How do you know if there is a majority here?"

Not long after their visit, I got the news that the government had introduced its back to work legislation somewhere around noon on Friday. I thought there had been a change of heart by the government. It has been on a rant for the last two weeks saying that it was not going to legislate them back to work. Then all of a sudden it brought in legislation.

• (2155)

If the speeches today were not so sad they would be laughable. These people are now the great champions of Canada Post. Canadians want to make sure they receive postal service.

It is funny that someone would ask how we know what 100,000 people think. I will tell members how we know what 100,000 people think. We commission a scientific poll that by proof—

Some hon. members: Oh, oh.

Miss Deborah Grey: It is certainly a start to know what people think. I challenge the members, who are howling, to stand in their places. It is something that is scientifically balanced and reliable. It is one measure we can use to make sure people have a chance to tell their MPs what they think. I agree the MPs might be fishing or looking for some sort of result. I would hate to think that any MP would try to skew results according to their little personal opinion or their party's stand. Heaven help them if they go against that.

I commissioned that poll on Friday afternoon. We went to tender. We had a company that I had never commissioned any work with before. It went to work as soon as Saturday morning arrived. I commissioned the poll late Friday afternoon. Members can chuckle or laugh, but I do not think it is funny that government members are having a yuck-yuck time with 31 million people out of work. That is the important point.

When I wanted to find out what the people thought, I commissioned a scientific, balanced and reliable poll. Here are the results, Mr. Speaker. I know you will be interested in them as you and I are just about neighbours in Edmonton.

Edmonton North constituents were asked one very simple question. It is pretty easy to try to skew some results if ones want such and such an answer. I wanted an answer about the back to work legislation.

Basically this is what we asked. "The government is proposing back to work legislation requiring Canada Post workers to return to their jobs. Do you think they should be sent back to their jobs? Yes or no". It was a pretty simple question. Whether a Liberal, a Tory, an NDP or a Bloc, one could probably figure out the question. It did not take up 20 minutes of people's time. I think people get pretty tired sometimes of pollsters phoning around.

Some 68% of the people in Edmonton North said back to work now; 20.9% said no; and 11% said they were not really sure. All they knew was that they were not getting any mail. They were not sure and did not understand the process of back to work legislation.

It is kind of interesting that there would be such a ruckus on the other side of the House right now. Are they decrying democracy? Surely not. The Tories would not giggle about democracy. Surely not.

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Someone at the other end from Abitibi used to serve as a Tory MP and is now a Liberal MP. He took his jacket off today and dared Canada Post workers to come on down for a fight. Is that a really noble and democratic way to work around this? What a pity. What a pathetic, irrelevant thing to say.

Rather than getting into a fracas about whether we legislate people back from a strike, let us make sure we up front and do not get into that situation another four times in the next 10 years. We need final offer arbitration to make sure we do not get into these ugly situations again. It is not a very nice situation for postal workers to be in.

I talked with those 125 workers when they came into my office the other day. They wanted to get back to work.

An hon. member: Is that the scientific poll?

Miss Deborah Grey: Let me just get this straight. I had 125 people through my office. That was not the scientific poll, sweetheart. That came later over the weekend. That is the idea.

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, I rise on a point of order. The hon. member for Edmonton North commented on the fact that it was imperative to have proper decorum in the House. I would ask the member for Edmonton North to make her comments through the Chair.

• (2200)

The Acting Speaker (Mr. McClelland): The Chair thinks that is entirely appropriate.

It being 10 p.m., pursuant to order made earlier today, it is my duty to interrupt the proceedings and to put forthwith every question necessary to dispose of the third reading stage of the bill now before the House.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. McClelland): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. McClelland): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. McClelland): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. McClelland): Call in the members.

• (2225)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 50)

YEAS

Members

Abbott	Adams
Alcock	Anders
Assad	Assadourian
Augustine	Bachand (Richmond—Arthabaska)
Bakopanos	Barnes
Beaumier	Bélair
Bélanger	Bellemare
Bennett	Benoit
Bernier (Tobique—Mactaquac)	Bertrand
Bevilacqua	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bradshaw	Breitkreuz (Yorkton—Melville)
Bryden	Bulte
Byrne	Caccia
Cadman	Calder
Cannis	Carroll
Casey	Casson
Catterall	Cauchon
Chan	Charbonneau
Charest	Chrétien (Saint-Maurice)
Clouthier	Coderre
Cohen	Collenette
Comuzzi	Copps
Cullen	Cummins
DeVillers	Dhaliwal
Dion	Discepola
Drouin	Dubé (Madawaska—Restigouche)
Duhamel	Easter
Elley	Epp
Finlay	Folco
Fontana	Forseth
Fry	Gagliano
Galloway	Gilmour
Godfrey	Goodale
Gouk	Graham
Gray (Windsor West)	Grewal
Grey (Edmonton North)	Hanger
Harb	Harris
Hart	Harvard
Harvey	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hubbard
Ianno	Ifody
Jackson	Jaffer
Jennings	Johnston
Jones	Jordan
Karetak-Lindell	Keddy (South Shore)
Kerpan	Keys
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Knutson	Konrad
Kraft Sloan	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	Lowther
Lunn	MacAulay
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Guimond
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Laurin
Lefebvre
Mancini
Martin (Winnipeg Centre)
Ménard
Nystrom
Plamondon

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, pursuant to the special order made yesterday, I am pleased to move:

That this House do now adjourn.

(Motion agreed to)

The Speaker: It being 10.29 p.m., this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 10.29 p.m.)

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