

As we all know, businesses that do not offer a return on investment, that do not invest in the future, do not stay in business for very long. Donald Lander, the Chairman and Chief Executive Officer, told the Consumer and Corporate Affairs and Government Operations Committee on October 31, 1989:

Just breaking even means in the long run that you go broke. If we (at Canada Post) fail to invest, to keep pace with the competition, or to introduce concepts for the business of moving information and goods, the future for the corporation and for its employees is bleak.

Honourable senators, Canada Post has been doing a lot better than just breaking even. It has invested in new plants, equipment, technology and infrastructure at a rate of about \$400 million to \$500 million per year, a total of over \$2 billion since the incorporation. Over the past ten years Canada Post has developed and built new systems, brought in new standards and created a level of productivity which is, and I say this advisedly, among the best in the world. With fewer employees, Canada Post handles over 50 per cent more mail than was handled ten years ago. Upwards of 40 million separate pieces are delivered to close to 12 million homes and business addresses every day. The most telling and encouraging statistic is that they have done so with a 98 per cent rate of on-time delivery against publicly stated letter mail standards. Their delivery standards are monitored by an independent third party and the results are made public.

Canada Post's basic letter rate is the second lowest in the western industrial world in terms of working time it takes to earn the price of a stamp. This is a not insignificant feat, considering we have a population spread across six time zones and the largest land mass in the world, not to mention our sometimes inclement weather and inhospitable terrain.

The goal of these changes is to turn this corporation into a modern, efficient operation and to deliver the mail on time and at a reasonable cost.

Canada Post is also not simply a passive purchaser of technology. Through its partnership with other high-tech companies, it has worked to develop new systems and technologies which are world leaders. I understand that Canada is now selling its postal expertise to other postal systems across the world.

I think it is safe to say that, even five years ago, had any honourable senator stood in this chamber and suggested that post offices from other countries would be coming to Canada to learn something from Canada Post, they might well have run the risk of being laughed out of this house. But that is what is happening because the government of Canada allowed the management of the postal service the flexibility to create new and better ways to deliver the mail.

[Translation]

In such a context, honourable senators, what is more reasonable for Canada Post than to want to increase its investments and maintain and further its business successes?

What is more reasonable for this corporation than to make a new share purchase plan available only to its employees? I would like all honourable senators to understand me clearly: there is no question here of privatizing Canada Post. Shares will not be issued on the financial markets. As attractive as this plan may seem to my esteemed colleagues, they will not be invited to participate in it.

This is strictly an internal plan and applies only to Canada Post employees — for a good reason. Is it not reasonable, honourable senators, that employees benefit in a special way from the profits being made by the company to which they dedicate themselves every day?

It is thanks to the dedication of Canada Post employees that the corporation has achieved its present success. Yes, the employees were an integral part of this huge business adventure at Canada Post. Now the Government of Canada rightly would like to ask them to become an integral part of the future success of their company as well.

Honourable senators, this share purchase plan will do a great deal to help employees better understand the big issues facing their company and the importance for its managers to run the enterprise carefully and thoughtfully, so as to make the most of the opportunities for growth that will come in the future. In short, the Canadian government is not satisfied simply with the employees being responsible for the success at Canada Post; it also wants to make them the beneficiaries of this success.

This initiative will also put Canada Post on the same footing as many other companies, both in Canada and abroad, including its own competitors, which already give their employees an opportunity to benefit from their financial growth through similar programs. Such an offer to employees will no doubt also be an excellent way for the Corporation to attract and retain the new skills that it will always need.

Honourable senators, I trust I am not alone in thinking that such a plan will help instill in Canada Post employees a sense of belonging, increased pride and a healthy motivation to work for their own organization. This is exactly the attitude that all Canadians strongly want to see more of at Canada Post.

[English]

This is of even greater importance when one considers that when it was incorporated, Canada Post was well on its way to losing almost \$1 billion a year. Let us make no mistake about it: This is a business — a business which is in competition with other businesses, not only with other couriers and delivery services, but also with new information transfer technologies such as fax machines, direct data transfers and