

*Government Orders*

that a privatized corporation like Canada Post might even produce a better price. That is just part of the story.

For example, the business activity between The Pas, Manitoba and Winnipeg is not so intense. Do you think that if Canada Post were privatized it would provide the same level of service at the same price between The Pas and Winnipeg as it would between Toronto and Ottawa?

In other words, what I am aiming at is if you privatize Canada Post, you wind up with several tiers of service and if you happen to live in a choice spot in Canada, you might get good service at a good price. If you live in the outer regions, in the hinterland of Canada, you will get poorer service at a much higher cost.

Therefore, my question is very simple. Would the previous speaker from British Columbia concur with my observation?

**Mr. MacWilliam:** Mr. Speaker, to be short, I most wholeheartedly do concur with the observation. The arguments my hon. friend has put forward are quite to the point.

The fact is that this entire bill, as I said before, is really a smoke-screen. This entire process of privatization is not in the long-term interests of either the workers of Canada Post or of the public they serve. There may be situations, as I said before, in which the rationalization of services is cost-efficient, but in the long run what will happen should this entity be privatized and taken apart and the entrails scattered to the private sector, is that we will have a deterioration in the quality of service and a substantially higher cost to the taxpayer.

**Mr. Jim Karpoff (Surrey North):** Mr. Speaker, my hon. friend has been focusing mainly on the rural post office. I want to have him comment on the impact on the larger cities.

I represent Surrey, which is the fastest growing metropolitan area in Canada. Since the 1988 election my riding has increased by 10,000 households. By the turn of the century there will be 800,000 people south of the Fraser River. It will be bigger than the city of Vancouver. What is the post office planning to do? It is planning to close

the sorting services in Surrey and take all the mail into Vancouver and bring it back.

The Surrey municipal council is opposed to it. The total regional district, the GDRD that represents all the municipalities on the lower mainland, is opposed to it because it goes against the liveable, regional plan in which it wants people to be able to work in the areas where they live. It does not want to have all the businesses shifted downtown.

Do you think this first step in privatization, of issuing shares to a few employees, only 10 per cent, will in any way change the management style of the postal corporation so that it would then listen to the concerns of the municipal council, the GDRD and its employees who are located in Surrey and who easily have transportation to work without having to go 35 or 40 kilometres into a major city which takes hours of travelling? Do you think this is in any way going to stop the management simply burying its head in the sand and against all advice, against all economics, and deciding to close such a major postal service as the Surrey sorting plant and take that mail into Vancouver?

**Mr. MacWilliam:** Mr. Speaker, my hon. friend from Surrey has pointed out the reality that not only do we experience difficulties in smaller communities but certainly even in our larger communities. One of the fastest growing communities in Canada, the community of Surrey, will experience some real difficulties in terms of what this government perceives to be a rationalization of services.

I believe his question was whether the share offering, the 10 per cent share offering, is going to cause the management to understand the new reality in employee-employer relationships and to be able to breach the historic bad blood that has developed between the employees and the corporation itself. I really cannot see that happening, Mr. Speaker.

• (1630)

The management of Canada Post has never been overly concerned about the views and attitudes of its employees. In fact, if anything I would submit that it has been one of the best examples of poor management structure that we can find in this country.