

*Oral Questions***CANADA POST CORPORATION**

FRANCHISING OF OPERATIONS

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, my question is for the Minister responsible for the Post Office. He will know that the conciliator, Mr. Foisey, said that franchising post offices put job security at risk, and that Mr. Dunstan is quoted as saying that there will be no compromise with regard to franchising.

Will the Minister now recognize that the Government's policy on franchising is the major obstacle to having a negotiated settlement at the Post Office? Will he remove that part of his plan so that there can be a settlement at the Post Office and mail can move?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Hon. Member should have completed what Conciliation Commissioner Foisey said. He said that it is certainly up to the Post Office to decide how to organize whether or not it is going to franchise. However, the obligation it has is to ensure that there is no adverse effect on the employees.

Mr. Dunstan has made a commitment to negotiate, along the lines suggested by Mr. Foisey, to ensure that no employees would be adversely affected by this decision, which is most properly a management decision.

[Translation]

REQUEST FOR ABANDONMENT OF FRANCHISING

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, the corporate plan of Canada Post is the work of the Government.

I would like to ask the Minister whether he is willing to stop speaking about back-to-work legislation. Instead, would he take an important initiative and leave the franchising concept out of these negotiations?

[English]

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, I understand where the New Democratic Party is coming from. Its resolution F42 says that an NDP Government will move to allow workers the right to negotiate the degree of control which they may wish to assume. CUPW resolution A5 says: "The union views as a primary direction the workers' control of the workplace".

We view it as management's responsibility to manage the Post Office—to do it with sensitivity toward its workers and to do it in a compassionate way, but to manage the Post Office. We do not think Parliament gave a mandate to Jean-Claude Parrot to decide how the Post Office is going to be organized. Apparently members of the NDP do. That is fine. They will have to live with that.

[Translation]

TAXATION

INEQUALITIES IN SYSTEM

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, my question is directed to the Minister of State (Finance).

Yesterday, the Alliance for Tax Equity, following a study on the Finance Minister's tax reform, stated that the more children one has, the more one is penalized by the Canadian Government's tax reform.

Moreover, the study clearly shows that in 1988 a married couple with four children earning \$35,000 will pay \$144 more in taxes than in 1986, while a couple with two children in the same income bracket will pay \$69 less.

Can the Minister explain to Canadian families why this Conservative Government is drawing up tax policies that penalize families with a larger number of children in Canada?

Why such an injustice?

[English]

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, in reply to the Hon. Member, he knows that eight out of ten families will be better off as a result of tax reform.

As for that very complicated example he gave, I would like him to table it so that I can study it and respond to it tomorrow.

[Translation]

SOCIAL JUSTICE—GOVERNMENT POSITION

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, perhaps the Minister does not do his homework.

Moreover, that study carried out by the Alliance for Tax Equity shows that the tax reform favours richer families. An example is provided, with tables to show that a family with a \$100,000 income and four dependent children will pay \$2,473 in taxes, while a couple with four children with a \$35,000 income will pay \$144 more in taxes in 1988.

How are they going to explain that to the people? Under what kind of social justice does this Conservative Government penalize have-not families in Canada?

[English]

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, our studies are clear. Those who have incomes of \$50,000 or more are going to contribute substantially more to the revenues of the federal Government. Those earning under \$35,000 or less are going to contribute substantially less. Those are the facts.