

Government Orders

We are at a stalemate here. I want to emphasize what is going on and step through some of the process as we know it and what we have observed as Canadians over the last number of weeks. This becomes somewhat technical, Mr. Speaker, so bear with me as I step through some of the conciliatory process we have used up to this point.

The Minister of Labour provided first stage conciliation assistance and with no settlement at this stage, decided to establish a conciliation board. The parties to the dispute nominated their respective representatives who, in turn, were able to agree on the selection of a mutual, acceptable chairperson, being, Mr. Marc La-pointe, Q.C. Following the release of the report of the conciliation board to the parties in mid August, direct bargaining resumed.

CUPW initiated rotating strike action on August 24. Following an assessment of the dispute by senior Labour Canada officials, the Minister of Labour consulted with the parties and discussed options which were available to them.

Sensing a desire for settlement on the part of the parties, he advised them of his decision to appoint a mediator to facilitate their efforts in reaching an accord. The appointment of Chief Justice Alan B. Gold of the Quebec Superior Court as mediator in the dispute on September 5, 1991 occurred. This had immediate implications for the dispute. Judge Gold obtained agreement from the employer to restore the collective agreement provisions during the mediation process and the union agreed to terminate its rotating strikes.

While Judge Gold's mediation of the dispute did not produce a final resolution of the differences between the parties, there was significant progress in narrowing the remaining items in dispute.

Clearly, at each stage of the process, first through the appointment of a conciliation officer, second, the establishment of a conciliation board and third, the appointment of a mediator, the government underscored its commitment to the collective bargaining process and support to the parties' efforts in the negotiations of a new collective agreement.

This bill provides for the continuation of postal services and the dispute resolution mechanism to arrive at the terms and conditions of a new collective agreement. By introducing this bill, the Minister of Labour has taken

the action necessary to protect the economic well-being of the Canadian population.

The government has had to weigh the rights of the parties against the general economic welfare of Canadians. Nothing in the legislation precludes the right of the parties to negotiate and amend any specific conditions of the agreement binding upon them, with the exception of the term of the agreement.

Let me return to how the government treats Canada Post. It is a Crown corporation and we have had some difficulties with Canada Post and CUPW in the past number of years. I just want to emphasize a couple of points. I am going to quote from a book written by Douglas K. Adie from the Fraser Institute.

I simply want to emphasize the cost of doing business and what it costs Canada Post to keep its operation going in terms of labour and in terms of costs.

"Canada Post's labour costs are 72 per cent of total costs which is high when compared to other service industries. Cost cutting at Canada Post needs to begin with a consideration of labour enumeration. In 1986-87 average annual salary and benefits of workers at Canada Post was more than \$36,000".

He goes on to say: "Although Canadian postal wages have not been studied as closely as those in the U.S., they appear to be excessive by about one-third compared to what Canada Post needs to pay to attract and hold a competent work force or what postal workers of similar experience and education would get if employed elsewhere".

He asks the question of how this happened, why this disparity between what we pay our postal employees and what other countries pay theirs. He answers it by simply stating that Canada Post has failed to control supervisory and non-supervisory wages from 1967 to 1987 when technology changed rapidly: "When technology changed rapidly labour costs still increased from 56 to 72.4 per cent of total costs. In one-sided labour negotiations Canada Post gave the unions almost everything they wanted. Since reorganization Canada Post has not redressed the inequity of excessive wages".

Part of this he concludes is simply because Canada Post does not have the competition that it needs to be competitive. There is no compelling reason for it to be competitive. He says: "Canada Post's exclusive privilege