

Government Orders

that single mom going to divert part of her hard-earned income back to the company? I think not.

Maybe the president of Canada Post might get a few shares. When Air Canada was privatized it was a real boondoggle in terms of the chief executive officers of that company getting access at a really low rate to great amounts of shares. Maybe that is what is going to happen here.

Mr. Manley: They lost their shirts.

Mr. Angus: As my colleague the Liberal transport critic says, they lost their shirts. We will not get into that today, but I agree with him.

It will be those people in the management at Canada Post who will get their piece of the pie. They are positioned so they can squeeze that much more out of the workers and reduce the amount of staff at the counters even more. It will look good on the bottom line but does not do anything for services to people or to Canada.

I have a final point. Canada Post, which provides the ability to move a piece of paper across the street or across the nation, is as important for keeping this country together as the passenger rail service is, as the airline service is, as the highway system is and as the Constitution is. As Canada Post goes, so goes this country.

Mr. John Manley (Ottawa South): Mr. Speaker, my friend across the way from Mississauga South seems to be surprised that I would speak on this bill.

He is probably thinking, knowing me as he does, that I might favour employee participation in an enterprise as a means of encouraging productivity and encouraging employees to identify with their organization and feel they have a part ownership in it.

If that were the result of this legislation I might share that opinion. However, when I look at what Canada Post is creating here the best that I can say about it is that it is very disappointing.

Employee participation in ownership in business enterprises is becoming an important factor in the capitalization of many Canadian businesses. Very recently, there was the involvement of the employees council at Canadian Airlines. It was an attempt to save the em-

ployees' own company through their participation by forgoing salary and acquiring shares in their company.

They did it as a part of a co-operative effort that included the participation of government and outside investors. It can make sense. It does increase the identification that employees have with their employer when they are also shareholders. However, there are some requirements for that to work. I do not think that those requirements are met in this case.

The bill does not give us very much information about what the government is ultimately going to propose when it actually comes to the point of issuing shares. All we know for sure is that the government does not propose to allow employees to own voting shares. We know they will be entitled to acquire up to 10 per cent of the shares. The other 90 per cent will be held by the government. We know they will not have voting rights.

We do not know what other rights they will have. We do not know whether they will be receiving dividends on a formula basis or whether they will be participating equally with the government as the major shareholder.

I would like to suggest that for this plan to have any validity whatsoever there are a number of criteria that should be satisfied.

• (1315)

First of all, I believe the shares which are issued to employees should be full participating shares. Employees should participate with the majority shareholders equally when dividends are paid out. We know that in recent years there have been years in which Canada Post has paid a large dividend to the Government of Canada. If you want the employees to own shares they ought to participate *pro rata* on the receipt of those dividends.

Second, employees should be entitled to vote. They should have full voting rights. This brings with it certain other characteristics that are important. If they have voting rights, then management will be required to account to the shareholders for their management of the corporation, which is as it should be. These people are being asked to put money at risk. The accountability function should be there. They are going to be a very small minority in a company dominated by the 90 per cent shareholder. They should have, as a right, minority representation on the board of directors of Canada Post