

*Adjournment Debate*

over the years? These are questions the government must answer.

**Mr. Walter Smith (Parliamentary Secretary to Postmaster General):** Mr. Speaker, it has been suggested in this House that the breakdown in negotiations between the Canadian Union of Postal Workers and the Post Office Department is the result of alleged interference in communication between that union's national executive and its membership. I would like to make it absolutely clear there is no truth in this allegation.

For about nine months now the Post Office Department has been communicating with employees—all employees at all levels—on a wide variety of topics. Those topics include the current status of negotiations with each of the five postal unions, the results of union elections, international art exhibitions, hockey tournaments, and the retirement of long-serving employees. Whatever the subject matter, these messages report substantiated facts; they do not express opinions; they do not indulge in name calling. These messages are not addressed to rank and file employees, but to all levels of management, including first-level supervisors. The only motive behind this system of communication is the need to have a well-informed management, so that they can either pass this information along or respond to questions from the people they supervise or manage.

On one occasion a message containing an incorrect statement was sent out. The error was quickly spotted and corrected within hours. The correction was identified as such. Therefore that one hon. member should suggest that the Post Office Department issues "conflicting bulletins" is a complete distortion of the facts. No doubt the CUPW has its own reasons for refusing to return to the negotiating table, but interfering with the union's communications is most certainly not a reason. The union has repeatedly been invited to resume bargaining. Its executive has refused to do so for reasons which may become clear later. They are certainly not clear at present.

It has been further suggested in this House that the Post Office Department has refused to allow union publications to be posted and distributed to the membership. I assume the hon. member is referring to unsubstantiated charges made before the Public Service Staff Relations Board.

In fact the union, through its legal counsel, has now been before the board for seven days and has not yet addressed itself to the charge made against the Post Office Department under article 20 of the staff relations act. The chairman of the board has more than once urged the union to present the proper evidence, but it has not yet done so. Largely because of this, the staff relations board has had to schedule a further nine days of hearings which will last up to October 6 next, with still no certainty that the union's case will be made even by then.

A reasonable man might conclude that the union, in stating it cannot resume bargaining until the hearing is concluded, is just stalling.

[Mr. Rodriguez.]

I understand CUPW is having its convention in Halifax on July 25 and I wish them success in their deliberations, Mr. Speaker.

FARM CREDIT CORPORATION—INDICTMENT OF MANAGEMENT  
IN AUDIT BY SIBBALD GROUP—GOVERNMENT ACTION

**Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo):** Mr. Speaker, it is almost midnight and, like members in this House, the members of the press gallery are tired. Therefore I shall try to be brief. However, I must raise one matter of considerable importance.

For several days I have tried to raise in the House of Commons questions concerning difficulties of the Farm Credit Corporation. For years farmers in all parts of the country highly regarded the Farm Credit Corporation, which provided farmers with low interest loans and money with which farmers could expand their operations, stay in business, or even go into the business. In recent years the corporation has encountered increasing difficulties. In 1975 it ran out of funds, and many farmers were unable to secure the loans the corporation had promised them. Last year the government actually showed restraint in one area. It cut back the authorized lending capital of Farm Credit Corporation, putting the squeeze on the agricultural sector of the economy. In the last two years senior management personnel have resigned from the corporation. That is a sign of malaise within the corporation.

In April, this year, the Sibbald Group released the results of an audit and study of Farm Credit Corporation. It showed that within the corporation there was poor morale, and moonlighting by employees on company time. Employees were taught to learn French and then sent to areas where no one spoke French, with the result that the taxpayers' money was wasted. The report showed that there was poor administration at all levels. It was a very blunt report, extremely caustic in its assessment.

● (2350)

Let me put on record these quotations having to do with management. The first is from page 33 of the report. It says:

The number of references to management problems during the interviews was too great to ignore. Here are complaints about lack of credibility, lack of confidence in leadership, lack of communication, and mystery regarding corporate objectives at almost all levels of the corporation.

At page 59 the report states:

Corporate senior leadership is widely viewed at all levels as being less than adequate. This feeling is more pronounced and widespread the higher one probes the corporate ladder.

It is vital the government should disclose what steps it is prepared to take to provide leadership to the corporation. After all, this is a \$306 million organization. The taxpayers have a right to expect that it will be wisely managed; the employees have right to expect that proper direction will be given to them, and that they will be in a position to understand the direction senior management wishes to take. Most important of all, the farmers of Canada have a right to expect that