

electronic funds transfers. In that competitive climate, the successful company will be the one whose delivery is the fastest, cheapest and the most consistently reliable.

As I mentioned earlier, Canada Post has been proving to Canadians, and to Canadian businesses which make up over 80 per cent of its volumes, that it can do the job. This legislation will help it do the job better.

Contrary to an image sometimes portrayed, the employees of Canada Post are hardworking, dedicated individuals who have a real commitment to building a better, more efficient and more profitable corporation. A more profitable corporation will not only ensure growth, it will protect the long-term employment of the people who work there. If Canada Post does not make a profit, it cannot employ as many people; it cannot continue to expand into new areas; and, sadly, it cannot provide the high level of service Canadians have every right to expect.

The government believes Canada needs and deserves a strong postal communication and distribution system as part of its basic economic infrastructure to compete successfully at home and abroad. Equally important, we believe that it must provide the Canadian public with the most reliable, cost effective postal communications and distribution possible.

• (1630)

Canada Post, honourable senators, is now successful because we gave it the tools to do the job. Bill C-73 will enable Canada Post to acquire another important tool to do an even better job. The employee share savings plan is meant to encourage workers at Canada Post to continue building on these past successes by enhancing their commitment to the continued goal of improving service.

This government believes that Canada Post must continue to work to improve service. Our support and direction have helped in that regard. Postal rate increases have been held below inflation, and that means that in constant dollars it is less expensive to purchase a stamp today than it was 10 years ago.

[Translation]

For that, it is essential to involve the employees, and I remain convinced that the share purchase plan provided in this bill will do a great deal to improve labour relations between Canada Post and its employees. As Senator Frith pointed out to me the other day, I am not often here. Therefore I am taking the opportunity to use my 45 minutes. Listen, stay alert. Is that not right, Senator Beaudoin?

Indeed, what is more motivating for employees than to feel that they have a special interest in their company continuing to grow, for them to be part of the destiny of the organization, in a way, and that when the company shows a profit at the end of the year, their investments increase in value as a result. Is

that not an excellent way to improve the labour climate in a company?

When Canada Post changed its orientation, another huge task was to restructure its relations with its employees. It was able to reduce the number of bargaining units from nearly thirty to only six.

Canada Post is convinced that the great majority of its employees are still prepared to cooperate to make the company more profitable in future. It is sure of that because it knows the leading role its own employees have played in its recent successes. Most employees recognize that the corporation must be well run because it is in business, and failure to show a profit at the end of the year could disrupt the whole organization and endanger their own situation.

At the risk of contradicting Jean-Claude Parrot, the former union president, I wish to repeat that by encouraging employees to buy shares in the company, Canada Post is not putting profits before service. At Canada Post, service is the main concern. The corporation knows very well that if service is deficient, profits will soon fall.

The on-time delivery rate for mail rose to 98 per cent last quarter. Is that not proof that the quality of service is a top priority for Canada Post?

This achievement, which should please all of us, is certainly a tribute to the employees' commitment. We can talk all we like about the efficiency of machines; the human hand and brain are still a factor.

The ultimate goal of the corporation is therefore to eliminate, once and for all, the idea that it is the scene of continual conflict and power struggles. Many of its own competitors throughout the world have already succeeded in instilling a new spirit based on recognizing the employees' contribution, cooperation and sense of partnership. Canada Post wants to do the same.

[English]

Honourable senators, there would appear to be a number of misconceptions regarding the legislation and what it is to accomplish. I welcome this opportunity, *en guise de conclusion*, to set the record straight.

To have a positive impact, the plan that is proposed must be seen in a positive light by the employees who are to invest in the corporation. That is why it is essential for the rules of the plan to be the same for all those involved, whether in labour or management.

Although the details of the plan have not yet been finalized, the terms of the plan will reflect this overriding principle of fairness to all employees. Once adopted, the terms of the plan will be public and available to all. All employees will be subject to the same rules of participation, whether management or labour.

[Senator Meighen]