

Canadian Arsenals Limited

no Crown corporation which has a reason for being attached to the Government. I expect that the philosophy of the Hon. member means that every single Crown corporation will be sold, regardless of whether it is making money for the taxpayers. I think that is a sad statement of the Conservative credo of privatization.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I want to speak at some length about this particular Bill and express my regret that the Government has not learned from the sale of de Havilland with regard to its handling of the sale of Canadian Arsenals Limited.

During December and January members of my Party were lobbied on a number of occasions by representatives of SNC, a reputable and very successful Montreal-based engineering company which is now moving into the area of manufacturing. They were frustrated that the sale had taken seven or eight months and asked if we would be prepared to expedite the passage of this through the House of Commons. If the Government was desirous of co-operating with the purchaser of Canadian Arsenals, it certainly did not show it in this House.

The Bill was brought before the House for debate on February 25, only one week ago. While the Government had time at its disposal it could have acted to resolve some very serious questions which were raised by representatives of the workers involved, which we had raised, and which I believe SNC was aware of as well. Rather than doing that, the Government has left those problems in limbo and they are now being debated here in the House of Commons, three months after the deal was originally proposed.

At the time the sale of CAL was announced we, quite naturally, began by focusing on the de Havilland sale. One of the reasons was that we knew that under the terms of the Financial Administration Act this sale would come before Parliament for approval and we would be guaranteed the opportunity to debate it. Members will recall the difficulties we had in getting the Government to agree to release information and allow a parliamentary committee to study the sale of de Havilland. Initially, the Government wanted the sale to proceed without any parliamentary scrutiny at all. I am afraid that we are facing a similar situation with respect to the sale of Canadian Arsenals. We do not have the information we need right now.

Efforts by the union and Opposition Parties to get the valuation in the Arthur Andersen report on Canadian Arsenals, and to get actuarial material which may have been prepared with respect to the pension plan and how the workers at Canadian Arsenals will be affected, have run into a stone wall. I appeal to the Parliamentary Secretary to talk to his young, attractive Minister, this newcomer into the Conservative Cabinet, who came in with a fresh broom to sweep out some of the problems which have occurred in the Government's first year in power. I ask him to appeal to his Minister to do things differently than the Minister of Regional Industrial Expansion (Mr. Stevens) and the Government did with respect to the sale of de Havilland.

● (1230)

When the Vice-President for Corporate Planning of SNC, Madame Céline Hervieux-Payette, a person who is well-known to a number of Members of this House, came here to press for early action she was simply doing her job. When I spoke with her I urged in the strongest possible way that SNC sit down and talk to the workers representatives in order to resolve their very legitimate questions about what was going to happen to them as a consequence of this sale. I have to record with regret that that was not done. There were one or two get-acquainted meetings with the president of the local, but nothing more serious than that. A meeting is being held this Friday, but only because of the request from the union. It was not initiated by SNC.

With respect to Teleglobe Canada, whose privatization has not yet been proceeded with, it is just this week that the union learned that actuarial assessments concerning the pension plan and the impact on the workers of privatization have been prepared. The union understands that a similar report was prepared by Sobeco with respect to Canadian Arsenals Limited. When they met on January 2 with the assistant secretary of the Treasury Board, Mr. Jean-Pierre Kingsley, specifically to talk about the implications for workers' pensions, no reference was made to the fact that study had either been commissioned or received. That was not fair and above-board dealing with the representatives of the 800 workers involved. That information should have been provided at that time. The Government should be straightforward now in making copies of that report available to the union.

There are a number of questions which have to be answered. The Minister stated on February 24 at page 10865 of *Hansard*:

Arrangements have been made with the present employees . . . for the portability and transfer of their pension plans. There will be no prejudice resulting to the employees in this regard.

While I welcome an assurance like that given in the House of Commons, it has not been matched with concrete action. I am afraid the Minister must be misinformed, because no such arrangements have been made. Up until now the employees have not seen what is in the agreement for sale between the Government of Canada and SNC. When they met on January 2 with Mr. Kingsley he outlined a number of options concerning the determination of the Government of Canada pension plan which has covered the employees of Canadian Arsenals Limited. They could cash in their plan. They could make an arrangement to transfer their rights. Or, they could take their benefits and cash them in if they were over 55, take a pension and then, if they wished, continue to work with SNC. However, that did not respond to such questions as what happens to workers approaching 55 who have a substantial number of years of service and who intended or expected to have the option of retiring at 55. Will that right continue or will it not? The union has not had an answer to that or the question of whether the indexing of their pensions, to which they have been paying in many cases of up to 15 years, will be delivered, or whether they will lose that right under the successor plan. I