

Teleglobe Canada

Mr. Axworthy: The Parliamentary Secretary to the Deputy Prime Minister and President of the Privy Council (Mr. Lewis) seems to be having an attack. He was a Member of the House when we brought in the Western Grain Transportation Act. Some 25 amendments were proposed and accepted at that time. I give that to him as an example which may prompt him to go back and read history. Those who do not learn from history will repeat its mistakes. Also, there are some good historical precedents in the House which the Minister of State for Privatization (Mrs. McDougall), as a reasonably new Member of the House, might be well advised to consider as well.

Before the report stage of this Bill is concluded, I hope the Minister will reconsider the very wholesome and positive amendment put forward by my colleague.

[*Translation*]

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I welcome the opportunity to speak to a matter of this magnitude, and to the two consequences it will have, and I am referring first of all to the effects of privatization. Perhaps I may say right away that I have no objection to privatizing, or returning to the private sector, enterprises that were formerly Crown corporations, but I don't think privatization should be the end-all and be-all. When we are talking about businesses that were set up with taxpayers' money and which have become competitive, viable and prosperous concerns, I don't think we should necessarily hand them over to the private sector to let it make even more profits. Teleglobe was making a profit and this was benefiting the Canadian taxpayer.

The reason why my honourable colleague is moving an amendment is that there will be consequences for the future of employees who were with Teleglobe and who are now working for the new company, Memotec, and I am referring to their pension plan. It is common knowledge that, unfortunately, the Conservative Government is not particularly concerned about vested rights. We saw this in their approach to de-indexing Old Age Security pensions. We also saw this with unemployment insurance benefits where they again ruled against employee/employer pension plans, the private pension plans. In fact, what my hon. colleague is proposing is quite simple. It is that Bill C-38 be amended in Clause 35, by striking out lines 33 to 35 at page 19 and substituting the following:

"35. This Act shall come into force on a day or days to be fixed by proclamation but not until an agreement incorporating an employee compensation program has been negotiated and accepted by the employer and the employees of the new corporation established pursuant to section 4 of this Act."

Why the Liberal Party is moving this motion? Because it is in line with Liberal philosophy to protect the rights of the individual. Institutions and corporations are fine, but the individual is more important still. The purpose of the Liberal Party's motion is, although we may not agree with the privatization of Teleglobe Canada, to ensure that as little damage as possible is done in the process. In other words, we have to prevent this from being privatization with no holds

barred, without safeguards for the employees. I think we should consider that if people, both management and support staff, had known when they paid their contributions to the employer's pension plan for Teleglobe Canada, and when they started working for the corporation, that the corporation would be privatized and their pension fund would not be fully protected, they might have made arrangements for another retirement plan.

When Canadian Arsenals was privatized, there were negotiations involving the Government, the new buyer and the union representing the employees. They managed to agree on a formula that was satisfactory to all three parties, namely the Government, that was selling the company, the new company that was buying the corporation and the employee representatives. All three were satisfied with the safeguards, not just for jobs but also for the pension plan to which both employees and the Government had contributed. Now the question arises, and last week I had the pleasure of meeting with the representative of the employees' union: Why isn't the Government making the same offer it made to Canadian Arsenals employees? Why isn't the Government applying the same rules and the same procedures in this case? Why is it changing its mathematical assumptions? Why this double standard? Unfortunately, that has been typical of what the Conservative Government has been doing, the double standard. We see it in this case. They found a solution to a problem, but instead of simplifying procedures so that all other privatizations, although one may not agree with the principle, would include safeguards for pension plans. There would be the same rules, the same calculations and the same safeguards. But no, they had to come up with a different offer, and typically, we saw the same attitude with unemployment insurance benefits.

The Minister of Employment and Immigration decided to create two classes of elderly workers. The first group which is entitled to receive payments from the employee/employer pension plan is penalized because it cannot draw unemployment insurance benefits, while in the other group we see elderly workers, exactly the same age, who are drawing benefits from their own registered retirement savings plan and are entitled to full unemployment insurance benefits.

Mr. Speaker, the situation is similar in the case of Teleglobe Canada employees whom we are talking about now. The Government does not guarantee full protection, certainly not to the satisfaction of Teleglobe Canada employees, the union which represents them, and the Official Opposition. My colleague moved this amendment strictly to ensure fairness and justice, and because the Liberal Party is intent on protecting people. I can appreciate that the Conservative Party may be more inclined to say that it is now a question of dollars and cents. We sold Teleglobe Canada for so many dollars and this will boost our image once the money has been paid into the public coffers and we can make people believe that we have reduced the deficit. This is a minor consideration: what counts is the individual and human aspects.