

for the City of Vancouver. He was not paying a cent of rent. He was living in luxurious accommodations at the expense of Ontario taxpayers.

Clearly the Ontario Government has taken its responsibility, has conducted an assessment of the situation and has recognized that as long as some involvement by the Ontario Government could be guaranteed—and that is being guaranteed by this particular initiative—it would be the best under the circumstances.

The fiscal plan of the UTDC is a far cry from the fiscal plan of Canadian Arsenals which has increased its profitability to the point where it is third on *The Financial Post* list of 500. I do not think we would see the same profitability margin with UTDC.

● (1220)

**Mr. Lewis:** Mr. Speaker, does the Hon. Member care to comment on the creation, by the Quebec Liberal Government, of a Cabinet post for privatization?

**Ms. Copps:** Mr. Speaker, the Hon. Parliamentary Secretary has probably spent the morning justifying why he called for an adjournment last week, because I do not think he was listening to my speech. There are 40-odd items of business on the books, including pension plans, and the Conservatives could not think of anything to do. They called for an adjournment and then had to eat their own words. They swallowed themselves whole, and the Member is obviously totally inside out today because of that swallowing experience.

That being said, Mr. Speaker, I do not think he was in the House to hear my speech. Had he been, he would have heard my reference to the words of the Minister of Finance who said: "We reward success". This happens to be one of the Crown corporations which has shown that it can be profitable and can show the private sector how to do a few things.

My Party and the Liberal Party in Quebec are not so tied to the notion of privatization that it would sell a company which is making a profit and has the Canadian Government as its largest purchaser. The Quebec Government has said that it will move toward privatization in certain areas where it can divest itself of a boondoggle. However, Canadian Arsenals was clearly not a boondoggle. If the Member has any information to show otherwise, would he please table it in the House? We have been begging the Minister of Supply and Services to put the Arthur Andersen report on the table. He will not do that because it is a money-making operation and he is ashamed of the fact that he is selling it for a song. The biggest loser in this operation will again be the Canadian taxpayers.

**Mr. Bradley:** Mr. Speaker, I am sure the Government of Ontario provided the legislature with all the information pertaining to the sale of its Crown corporation. I guess the answer to the question of my colleague from Simcoe North (Mr. Lewis) was that it is all right for the provincial Liberals in Ontario to sell Crown corporations, but it is not all right for the federal Conservatives to do the same.

### *Canadian Arsenals Limited*

I rose because I have a concern about the Hon. Member's speech. I have concerns about many of her speeches. She indicated that Canadian Arsenals was the sole source of supply for the Government of Canada. She mentioned that we have sold off the Canadian Government's only access to ammunition. I know the Hon. Member is very concerned about statistics and always attempts to be correct. I know she would not want to mislead the House purposely. However, I am sure the Hon. Member is aware, and if she is not I will inform her, that there are many ammunition suppliers in Canada. The Government of Canada does not rely solely on Canadian Arsenals Limited for ammunition. The difference between CAL and the other suppliers of ammunition in Canada is that the others are privately owned.

The Member expressed concern that we should sell our "sole supply" of ammunition. It is a major supplier of ammunition, but not the sole supplier. The Government of Canada probably buys more paper clips than any other organization in Canada. Perhaps the Member feels, therefore, that we should publicize the paper clip manufacturing industry in Canada. As long as a Crown corporation carries out valid public policy mandates it will maintain its status as a Crown corporation. When it is no longer a valid public policy vehicle, we feel it should be returned to the private sector. It is not an issue of whether it is making a profit.

The concern with regard to de Havilland was that we were selling it to non-Canadians. The Opposition said that they would approve the sale if it was to a Canadian company. In this case we are selling to a Canadian company and the argument is that the corporation was making a profit. Maybe the Opposition should get its act together.

**Ms. Copps:** Mr. Speaker, I wish the Hon. Parliamentary Secretary had the time to read organs like *The Financial Post*. If he did, he might realize that the statement he made in the House is misleading. The fact is that Montreal-based IVI Inc. provides the forces with small calibre ammunition, up to 30 millimeters, and CAL makes the heavier stuff, up to 155 millimeters. Between them, CAL and IVI account for almost all of Canada's domestic ammunition and both are now owned by SNC. The fact that there is no competition between the two firms is no accident. IVI was a part of Canadian Arsenals until the mid-60s when it was sold by the Government as part of a strategy to privatize as much of CAL's assets as possible. These two companies account for almost the total expenditure by the Government of Canada for munitions and, as a result of this particular venture, they are both owned by SNC.

I am sorry that the Parliamentary Secretary has not better researched who is in fact behind the companies which are selling munitions to the Government. I suspect, Mr. Speaker, that Arthur Andersen's report may have made this quite clear. If the Parliamentary Secretary were really interested in learning why we are selling this company he should table the Arthur Andersen report. He says that profit is not an issue. The Government will sell corporations left, right, and centre regardless of profitability. If a munitions industry has no reason for remaining a Crown corporation, obviously there is