

Plant Closures

earlier, something that more properly would be looked at in a provincial context, but instead, something which I think is the responsibility of this House of Commons, since we provide the funding to these companies also to set certain conditions with respect to any shutdown which might take place affecting the companies involved.

To give a brief sense of the dimensions of the situation, I will take just the statistics for last year, which indicate that over 14,000 employees in the Province of Ontario alone were affected by such plant closures, 9,200 employees were affected by the complete shutdown of the plant that they worked for, something like 3,800 suffered reduced operations, and another 1,000 or so from partial closures. It is a total which really gives us a significant number of plants in the Province of Ontario to be concerned about.

In the case of my constituency of Essex—Windsor and the surrounding area, we have been particularly hard hit by such closures. I was fascinated this morning, for instance, to hear the Minister for International Trade (Mr. Crosbie) talk about the full employment conditions which existed in southern Ontario for which that is true. It is certainly not true for Essex-Windsor and for the Windsor area itself. Within the last few years, for example, we have had the great Atlantic and Pacific corporations shut some of their operations in Windsor, with 145 people laid off. We have had Sheller Globe shut its operations, with 205 people losing their positions. We have had the Industrial Tool Division of ITL shut its operations, with 185 people laid off. We have seen, in places like Kelsey-Hayes, Dominion Forge, General Motors itself, partial lay-offs taking place which have hurt people quite badly.

For the most part, if we talk about these closures it is not something which the federal Government has a great deal of power to do much about. But if we take a case such as ITL Industries, which owned International Tool, the company which shut down last year and cost 185 workers their jobs, that company in the preceding eight years had received totals of close to \$1.4 million from this Parliament, from the various Governments that had support in this House of Commons. That money included \$550,000 in terms of an IRAP grant for the adaptation of CAD-CAM technology, \$230,000 in terms of IRDP modernization grants, \$200,000 in the form of ILAP grants, \$257,000 in the case of the Enterprise Development program.

With this kind of tremendous contribution to the capital base of this company, I think that it is something that is especially important, because it is an issue which is almost certainly going to become more significant as the trade deal comes into effect, if that happens. I think it is crucial that certain conditions be set on the grants which are provided by this Parliament to such enterprises.

I would suggest that there are two key concerns which, as the very basic minimum, have to be established in the case of a plant like ITL or some of these others that have shut down and

thrown people out of work. First, I think that it is absolutely basic that a company, when it decides to close a facility within a community, should have to open the books of that facility to the community itself and to the workers who have often put 20 or 30 years of their lives into building this plant. If that were to be established as the first basic requirement, the result would be that the Windsor Development Commission, for example, would be able to look at these books very carefully. It would be able to bring auditors in to review the books and answer the question, which is almost always asked by the workers who are affected by this kind of a situation: Was it in fact justified to shut down this plant, was it justified because the plant itself was losing money and could not be viable and therefore had to face a shutdown, no matter what the community might like?

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In the case when a company has, for a considerable period of time suffered losses, I do not think anyone would argue that we should keep the plant operating. However, there is a second point which I think should be very, very carefully considered by the Government.

If the community looks at the books of a plant that is to be shut down and finds that the company appears to be viable, to be able to continue to operate and provide employment and income for the people of the community, it should then be possible for the community, perhaps in conjunction with the workers, as was the case with Lapp Industries of Hamilton, to make a bid for the firm and, as purchasers, have some preference because of the tremendous contribution federal taxpayers have made to the plant. In the case of ITL, for instance, the workers felt very, very strongly that the plant was viable. It had orders which could have been filled and which could have kept it profitable and operating, therefore keeping the workers employed in the community of Windsor. However, those workers had no ability, either through the community or through their union, to bring in outside auditors who could have access to the books of the company. The company was able to say, "No, we are shutting the plant down for purposes which of course make perfect sense. It is strictly a business decision and we have the right to shut this company down".

If we had a government-sponsored Bill which put into effect these two conditions I have talked about, access to the books and the potential for local development commissions in conjunction with workers to buy the plant and keep it going, then the workers of ITL would have been able to make the company a proposition. They would have been able to say: "We will purchase this plant and see to it that it keeps operating, and as a consequence, 185 workers in an important area of machinery manufacturing in the City of Windsor will be kept on the job and the economy will continue to be diversified". The community would have been better off and the taxpayers would have been better off because the various grants which had been made to the operation would have