

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[English]

TELEGLOBE CANADA REORGANIZATION AND DIVESTITURE ACT

MEASURE TO ENACT

The House resumed from Tuesday, February 17, consideration of the motion of Mrs. McDougall that Bill C-35, an Act respecting the reorganization and divestiture of Teleglob Canada, be now read a second time and referred to a legislative committee, and the amendment of Ms. McDonald (p. 3435).

Mr. Waddell: Point of order, Mr. Speaker. I wonder if the Chair might help us out. My understanding is that when we left debate on this Bill we had one minute left for the Hon. Member for Winnipeg North Centre (Mr. Keeper) and then we were going into 10-minute speeches?

Mr. Deputy Speaker: The Hon. Member is correct. We are in the question and comment period following the speech of the Hon. Member for Winnipeg North Centre (Mr. Keeper). The Hon. Member for Windsor—Walkerville (Mr. McCurdy) had a question or comment?

Mr. McCurdy: Mr. Speaker, I have a question for the Hon. Member for Winnipeg North Centre (Mr. Keeper) with respect to his comments the other day. Considering that the overwhelming preoccupation of the Canadian people lies with the tremendously high rate of unemployment in most parts of this country, can he give us his evaluation of this legislation in that context? Action by the Government to produce jobs should be the highest priority, so how does this divestiture signal the Government's efforts to improve the employment picture?

Mr. Keeper: Mr. Speaker, I welcome the opportunity to make a comment. The Government is doing what has been done in the private sector for some time now. It is a game involving taking over companies and it produces no employment. When the Government sells Teleglob to Memotec it is just another game which will not mean an increase in employment for Canadians.

Mr. Deputy Speaker: The period for questions and comments is terminated. Debate.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, once again I rise with great concern that in debates such as this there is generally not much of an audience. I hope the Canadian people are watching this debate and learning a lesson about the priorities of their Government, as well as the rather low level of attention given to the major issues affecting

Teleglob Canada

them which I referred to in the question I put to the Hon. Member for Winnipeg North Centre (Mr. Keeper).

It has always been offensive to me to hit anyone while they are down, but I am afraid the Government needs to be hit while it is down, as it has paid so little attention to the primary concerns of the Canadian people. One would think, given the circumstances of the last few weeks, they would be hastening to try and find some legislative route to gain the support and approval of the Canadian people. If the Government were attentive to the mandate given it by the Canadian people, its emphasis would surely have been on measures which would create jobs. This legislation in no way makes that effort. It offends me that we should be playing ideological games, as we are with this legislation, rather than paying attention, as we ought to, to the concerns of the Canadian people. I know that the Government can look at rather improved employment statistics and find that the unemployment rate is down significantly over-all, but one will find that in seven provinces the unemployment rate is high. Meanwhile, we are here discussing the divestiture of Teleglob, for what purpose and profit it is difficult to say.

• (1540)

At the moment we are debating a motion for a three-month hoist. The reason the motion for a hoist was introduced is paraphrased quite well in the following headline found in *The Financial Post*: "The Memotec Teleglob buy raises serious questions". There are several reasons why it raises serious questions. One of course is that the performance of the stock on the stock market indicated that inside information was available. On the day that it became known that Memotec was to purchase Teleglob the stock rose from \$12.60 to \$15.00. I believe that raises serious questions and would suggest a reasonable basis upon which to delay this legislation in order to make the appropriate inquiry to determine whether there was any hanky-panky.

It is interesting to see what the financial community is saying. This article from *The Financial Post* says that the information that Memotec, which until then was a mysterious company in Montreal, was going to buy Teleglob is known to have been leaked to the private sector on February 6, "although many greeted it with incredulity". It is also worth noting that another financial expert said "but in terms of Teleglob's long-term financial viability, it boggles the mind".

Let us examine what has occurred here. Teleglob is certainly to be regarded as one of the more successful Crown corporations. It had sales of \$688 million in 1985 with profits of \$53.2 million. It provided approximately \$250 million in dividends to its owner, the Canadian Government. It is being purchased by a company which, in the same year, had profits in the order of \$17 million and is worth between \$40 and \$83 million. If ever there was an example of a mouse swallowing an elephant, this surely must be it. This has raised questions of the long-term viability of Teleglob in these circumstances.