

*Canadian Arsenals Limited*

why we support Motion No. 2 in the name of the Hon. Member for Glengarry—Prescott—Russell.

I, and I know other Members were disappointed when Members on the Government side opposed the request by the Hon. Member for Ottawa Centre (Mr. Cassidy) to ask the Parliamentary Secretary a number of questions. This is essentially the last opportunity to clarify some important questions, yet those Members simply want the report stage debate to take place. While that debate may be appropriate, surely this is such a critical issue in terms of the precedent that we should be permitted an opportunity to direct some specific questions to the Parliamentary Secretary. I greatly regret that decision by Government Members.

The fact that there is no legislation ensuring the rights of Crown corporation employees, who have been contributing to pension plans and move to a private corporation, simply emphasizes the point that more consideration ought to be given to this group of motions.

● (1410)

In conclusion, let me simply say that there is much unease with respect to the employees involved. There are concerns which have been registered in committee and have now been raised in this report stage debate. There is a whole range of unanswered questions. Before this round of motions is completed, perhaps an Hon. Member on the Government side will rise and respond to some of the questions posed. If not, then we will have to say that the process being followed is incomplete and inappropriate on such a critical and important Bill.

Because of the questions which have been posed by my colleagues, I anticipate that after sitting down I will hear from some Hon. Members opposite in terms of explanation.

**Mr. Rod Murphy (Churchill):** Mr. Speaker, I am also pleased to rise at the report stage consideration of Bill C-87, an Act to privatize Canadian Arsenals. I believe what is happening is that the Government is moving forward with its ideological straitjacket without giving any real consideration to what will happen to the number of people who are presently working for Canadian Arsenals.

The Hon. Member for Kamloops-Shuswap (Mr. Riis) indicated that this is not just an isolated concern. Yesterday morning we read that CN intends to sell off CN Route to three investors from Toronto. I asked the Minister of Transport (Mr. Mazankowski) earlier today in the House what the Government's policy is for the people working for a Crown corporation such as CN Route. What is going to happen to those people, their jobs, their pension benefits and their future after spending so many years working for the Government of Canada through one of its Crown corporations?

The Government's philosophy is to get rid of Crown corporations. As a political Party and as the Government, it has the right to its own philosophy. No one can quarrel with that. But it would be nice on occasions if it would admit what

its policies are and even nicer if it would sometimes carry them out. In this case I do not happen to believe it is a good policy.

The Government has a policy to privatize despite the fact that it involves selling a Crown corporation which is making money, and that the major client of the Crown corporation is the Government of Canada. What we are doing is taking a Crown corporation which is selling its goods to the Government and putting it into the hands of a bunch of private individuals who wish to make a profit. But from whom will they be making a profit? It will not be from Procter and Gamble or other large companies, but from the very group which is selling the Crown corporation, the Government of Canada and through it the taxpayers of Canada.

Even if the Conservatives are right in their desire to sell off some Crown corporations, it does not make sense to sell this particular Crown corporation. There are Crown corporations which are in effect competing with private enterprise for a public market. They are competing for the purchase orders of other consumer groups and industries. But this is not the case with Canadian Arsenal. We know the Government is the major consumer, and in that case it is logical that the Government should be the producer of these types of goods.

We also know from the nature of the arms business that it is basically Governments throughout the world who buy the product. We also know that internationally it tends to be a heavily subsidized business. It is a business which quite often comes under Government regulations which are dictated by national policy. It is a very unusual business, not only because the consumer and the producer are so closely linked but because there is, for obvious reasons, Government regulation and control.

But let us look at the employees of that Crown corporation. The amendment before us this afternoon deals in the main with what is going to happen to the people who are working for a Canadian Crown corporation. We know that as a result of the sale these people will face the potential danger of losing their pension benefits, despite the amendment brought forward by the Government earlier today. That is one particular concern.

The Government really wants to sell off Crown corporation after Crown corporation and CN Route is now on the selling block. We know the workers there are going to be affected. There was an article in this morning's *Globe and Mail* that a number of CN's Route workers will lose their jobs. Considering this result, why does the Government not have a policy on how it will deal with the employees of these Crown corporations when they are sold? If those workers want to keep their jobs they will have to be transferred to the domain of the new owners. They quite often do not come under the same legislative protection.

That is the case here where we are going from federal law to the provincial law of the province of Quebec. Pension plans have been started and people have been paying into those pension plans for a number of years, yet there is really no