

Madam Speaker, this Bill makes it possible to merge two very impressive companies and thus create an integrated, first class uranium producer and processor.

The subsequent privatization process will enable the company to pursue aggressively new opportunities and become one of the most important players in the world in an industry where the competition is international.

[English]

By establishing the head office of the new corporation in Saskatchewan we are putting senior management close to the primary mining facilities of both existing companies. Most important, we are also developing a critical mass of skills and knowledge in Saskatchewan, already noted for its expertise in uranium production technology. This will help the province continue its world leadership in this area as well as providing spin-off employment benefits for others serving this industry. The decision to locate the head office in Saskatchewan also supports the Government's commitment to the policy of western economic diversification by building on the natural strengths of the region.

However, that will not take away from the new company's business commitments in the wonderful Province of Ontario which is, of course, where I come from. In fact, the long-term financial viability of the Blind River refinery and the Port Hope conversion plants will be improved because the processing operations of the new corporation will be more self-reliant and less dependent on other mineral producers than they are today.

The merger of Eldorado Nuclear Limited and the Saskatchewan Mining Development Corporation will occur at a very appropriate time in the development of the Canadian economy. Under the terms of the free trade agreement the future prospects of the entire uranium industry have been heightened by lessening the uncertainty over possible U.S. import restrictions on uranium. At the same time, the modern and technologically advanced processing facilities of the new company are competitive with U.S.-based facilities.

I am very proud of the two-stage merger and privatization process which we are proposing for Eldorado Nuclear today.

[Translation]

This merger will help create a company that is far stronger than either party could ever have imagined before. Mining and development operations will be rationalized, economies of scale will improve efficiency, and the integration of mining and refining operations will enhance the long-term security of all employees.

[English]

The privatization stage of the process will enable the new company's employees to participate directly in the profit potential of this great company. Further, it will allow all Canadians to become more directly involved in a highly competitive, technologically advanced industry. It does so in a

Eldorado Nuclear Limited

manner that recognizes and protects the interests of both company employees and Canadians generally.

In short, Madam Speaker, the enabling legislation that we have put forward demonstrates the pragmatic approach to privatization that the Government has taken since 1984. I am sure that all Members of the House will recognize the benefits of the proposal and will join with me to expedite passage of this Bill through the House.

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PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mrs. Champagne): It is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for York East (Mr. Redway)—Income Tax—Funding of NDP municipal election candidates—Issuance of receipts for tax deductions; the Hon. Member for Burnaby (Mr. Robinson)—Administration of Justice—CIA funding of brainwashing experiments—Request for *ex gratia* payment to victims/Request for government action; the Hon. Member for Montreal—Sainte-Marie (Mr. Malépart)—Regional Industrial Expansion—Opportunity to establish space agency in Montreal—Query when Government will announce decision/Aerospace—Montreal—Economic spin-offs.

• (1600)

GOVERNMENT ORDERS

[English]

ELDORADO NUCLEAR LIMITED REORGANIZATION AND DIVESTITURE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mrs. McDougall that Bill C-121, an Act to authorize the reorganization and divestiture of Eldorado Nuclear Limited and to amend certain Acts in consequence thereof, be read the second time and referred to a legislative committee.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I must say that while our Party has some problems with the legislation, we feel they can be dealt with in committee. We do not oppose the thrust of the legislation. We are not opposed to the sale of Eldorado Nuclear in order to form one company with Saskatchewan Mining Development Corporation. However, we believe there are some difficulties with the legislation.

Of course, this agreement applies to this particular corporation because we believe there can be some benefits from the