

*Canadian Arsenals Limited*

privatization project. Mr. Speaker, I suggest that the Government is responsible for these problems because, before looking for a prospective buyer for this Crown Corporation, he had failed to determine its privatization policy.

● (1250)

[English]

I do not want to revert to the issue of whether or not this company should be privatized. A decision has been made by the majority of the House of Commons over our opposition. We must now talk about how this will be done, and whether it will be done fairly with regard to the workers.

I think it is significant that the Government's amendment has been proposed, because it acknowledges that the Government had not thought through what would happen to the pension rights of the employees in the event of privatization and, therefore, had made no legislative arrangements. Many of the affected employees may well have found themselves forced to cash out their pension contributions, and lose the employers' share, the indexation to which they would have been entitled under the Public Service Superannuation Act, and a lot of the interest. Yet, until the Government was forced to consider the matter, it did not consider that to be a problem.

While I believe that SNC has been acting in good faith in this particular matter, I must point out that neither it nor the Government sat down to discuss these problems seriously and work out solutions until the legislation went to the legislative committee, when finally some action began to be taken.

[Translation]

A Crown Corporation, as the epitome of responsibility, should provide a pattern for the way a corporation should deal with its employees in the 1980's. In this case, however, the privatization of the Canadian Arsenals Limited cannot be used as a model; in fact, it would be an improvement if the Government forced these amendments upon us, but it is a precedent that is in fact better than if nothing had been done.

Still, Mr. Speaker, the Government should have thought about this more seriously beforehand and, as we intend to support the amendment moved by the Hon. Member for Glengarry—Prescott—Russell, I suggest that the Government should consider whether the employees, some of them over 45 years of age, should not have the right to stay fully with the Federal Government's Pension Plan instead of being placed in the middle, in between the two plans, as proposed by the Government.

[English]

We have some specific concerns, Mr. Speaker. While the Government now recognizes that acquired pension rights, up until the date of the sale, can be preserved, there is no assurance that there will be adequate melding in order that additional pension rights acquired by employees who opt, within a year, to take what is in here and keep their rights in the Public Service Superannuation Fund, or to ensure that the

additional pension credits which they earn from SNC will be translated into a pension.

Take as an example a worker aged 52 who intends to work until the age of 57 or 58 before retiring. It would probably be prudent for that worker to decide to keep his or her rights in the public service pension plan because of the indexation and other features. The employee may work for SNC but, having been there for only seven years there is no guarantee that those seven years would translate into additional pension on top of the reduced pension the employee would receive from the Public Service because the employee left at the age of 52.

I could give more examples like that, and I seriously regret the fact that the Parliamentary Secretary was not prepared to permit questioning on some of these points. He forces me to raise them in debate without any give and take. After I asked the House for unanimous consent I talked to the Parliamentary Secretary. I regret to say that he remained reluctant.

In addition, the Parliamentary Secretary must know that since the agreement of sale continues to be a secret document, and since the nuts and bolts of the proposal—

**Mr. Daubney:** Point of order.

**Mr. Boudria:** It has been made public.

**Mr. Cassidy:** It has been made public? I apologize.

**The Acting Speaker (Mr. Paproski):** There is no point of order, then.

**Mr. Cassidy:** The Hon. Member for Ottawa West (Mr. Daubney) is furthering the illusion that I am capable of being in all committees at once. I do my best, and I also trust my colleagues on these particular matters. My colleague, the Hon. Member for Prince Albert (Mr. Hovdebo), did a very able job in this area, as I think the Parliamentary Secretary will agree.

The Parliamentary Secretary may have difficulty understanding this, but given the lack of consultation with the union, and the fact that this is a precedent for further privatizations which are a declared policy of the Government, the union is concerned over the wide degree of discretion left to Cabinet in the new Section 12. The Governor in Council is given the power to make regulations and specify which provisions of the Superannuation Act and the Supplementary Retirement Benefits Act will apply, and to what extent. That means theoretically Cabinet could decide, despite the tenor and tone of the agreement, that no sections of those two Acts are going to apply despite the passage of Section 12. That is the legal position no matter what has been said by the Parliamentary Secretary. I have respect for him and I very much hope this Government, which has not kept all of its promises, honours the Parliamentary Secretary's word. I know he will do that personally, but his Government has perhaps a little more clouded reputation than he has as an individual.

The Government is allowed to make regulations to adapt provisions of the Superannuation Act for the purposes of this