

Canadian Arsenals Limited

as much information as possible to quiet their fears about the acquisition. You try to ensure, and demonstrate to them, that means have been worked out in order to protect job security. Unless it is your intention to try and ditch the union, you try to co-operate with the union in order to ensure that its interests and the interests of its members are going to be protected. If that is good practice in the private sector it is equally good practice when privatization is taking place.

As the Hon. Parliamentary Secretary knows, we in this Party have grave questions about this whole process of privatization. We think that what is at work is an ideological commitment which says that the public sector is bad and the private sector is good. When you have a public sector which delivers medicare, old age pensions, hospital insurance, Air Canada, and one of the most efficient and successful railways in the world going from coast to coast in Canadian National; when we have all of those things in the public sector I, for one, cannot believe that the public sector is uniformly bad as the Government seems to feel and the private sector is uniformly good.

When we have a private sector that poisons the waters up in Grassy Narrows and White Dog Reserve in northwestern Ontario; a private sector which sends chemical blobs into the St. Clair River; a private sector which has permanently contaminated the chemical dumps in the region of Niagara Falls with dioxin; a private sector which continues to support dictatorships in Chile and places like that I, for one, cannot believe that the private sector is uniformly good.

I want to suggest that the Government get away from this black and white ideology in which it suggests that everything that the private sector does is to be praised and everything that the public sector does is to be denigrated.

I want to suggest in terms of any policy about privatization that we should look at each case on its merit. If Canadian Arsenals was going to double its sales in the next five years, if it had shown the competence to increase its sales by three times in the last few years, to begin to enter into legitimate export markets, and that kind of thing, then I want to suggest that maybe it is worthwhile keeping it in the public sector for a few more years.

Canadian Arsenals was not a company which was short in terms of finance. I am just looking at the figures here. It had \$52 million in equity and only \$16 million in long-term loans and lease obligations. The company had ample room, if the Government did not want to provide it with long-term capital financing, to borrow in the private market.

I want to suggest that if Canadian Arsenals was held back in public ownership from doing the job in terms of expansion or finding new markets in the United States or another NATO country, the reason was because it was deliberately held back by this new Government, and not that of any failure as far as the management of that particular company is concerned.

I suggest we should let public enterprise do the job, grow and flourish, in addition to allowing private enterprise to continue to operate in this particular field. You do not hold

back public enterprise, tie both arms behind its back and then turn around and say. See, we told you that private enterprise can do the job and can grow and expand and public enterprise cannot do the job. That is a phoney comparison the Government is making in this particular case.

[*Translation*]

In concluding, Mr. Speaker, I would like to say that when the co-operation of the New Democratic Party was sought in connection with the privatization of Canadian Arsenals Limited, I suggested to SNC in Montreal that the matter be discussed with the union and the necessary arrangements made, so that employees would have the assurance their interests would be protected. We have now had three months to make these necessary arrangements, and nothing has been done, either by the company or by the Government.

Despite the Government's policy on privatization, a policy that was announced by the Minister of Finance in November 1984, and which says that the Government will make every effort to ensure that the groups involved, that is, employee and management of companies that are to be privatized, are informed of all developments and are given the assurance that legitimate interests will not be threatened.

Despite this statement of the Government's policy on privatization, employee interests have not been protected. They did not receive the requisite information ensuring that their interests would be protected.

Mr. Speaker, in the circumstances, the Members of our party cannot support this Bill to privatize Canadian Arsenals Limited. In committee, we intend to ask for disclosure of all necessary information, and this includes publishing the evaluation study by Arthur Andersen, and the study by Surbeco, a study of the employee pension system, and also that the necessary discussions take place before, not after the matter has been dealt with in Parliament.

I believe the Government failed to learn its lesson when it privatized de Havilland. Furthermore, Mr. Speaker, instead of acting as though this was just Conrad Black selling off one of his companies—

[*English*]

Instead of acting as though this was just Conrad Black selling off one of his holdings, it seems to me that the Government of Canada should be handling privatization in a different way. We are not talking about Canada incorporating a vast private sector concern which is free to wheel and deal. We are talking about the Government of Canada which, while it has legislative and political authority to privatize if that is the policy of the Government of the day, has certain obligations to deal in a way which should be a model to the private sector, and which should be assigned to the people of Canada. When it comes to protecting our interests as shareholders, and when it comes to protecting the interests of workers who worked faithfully and devotedly for a Crown corporation for many years the Government of Canada, whatever its ideologi-