

*Canadian Arsenals Limited*

pensions are totally guaranteed and will continue in place for those workers who are presently working at Canadian Arsenals and have paid into them over the years. In that way they will be guaranteed the kind of dignity and security which they anticipate and expect in their retirement as a result of the present collective agreement.

● (1140)

On December 14, 1985, the *Financial Post* referred to significant numbers of contract clauses built in to ensure greatly expanded facilities for the manufacture of munitions and the modernization of plants. I said a few moments ago that Canadian Arsenals, a publicly owned corporation, was a first-class producer and ammunition for the Canadian DND. I just wonder whether we should be expanding the role of this munitions manufacturer into a global market-place. I wonder whether it is wise for a country like Canada to become even more deeply involved with those known as the "purveyors of death", the international arms merchants. Granted, bullets are a very small component of any military organization. However, in principle, should we consider allowing a Canadian company, now that it is going to be privatized, to be expanded into the world market-place where weapons, components of weapons, bullets, shells and so on, are sold?

I do not believe Canada has to create jobs in that way, now should it be involved in the international arms trade. We are not morally obligated in any way to become part of that very questionable and murky world beyond the factory gate. Where do the guns, the bullets and shells end up, and I am not referring to SNC? Where do the other weapons of death end up? Through whose hands do they go and where do they eventually end up? We have laws in this country to prevent Canadian manufacturers, whether publicly or privately owned, to sell weapons to the world's hot spots, to where there is insurrection, civil war, international conflict, and so on. It is very interesting that some of the bullets or shells of CAL ended up in the hands of the Contras in Honduras and in the northern sections of Nicaragua. No matter what side one is on in Nicaragua, I think it is unconscionable—if it is correct, and I am going by newspaper reports—that Canadian made bullets would be involved in conflicts, not only between the Contras but, more importantly, now between the United States and the Sandinistas, because that is really what the civil strife down there is all about. It is that Nicaragua posed a major military threat to the United States. But I am not going to get involved in that subject because it is not on topic.

I think we should be very careful. Perhaps we should think about tightening up on these export controls. There have been some notable exceptions over the years, but so far Canada has a pretty good record in this field, and I would hope that by privatizing Canadian Arsenals Limited, by selling it to SNC, we will not be providing yet another company to produce armaments in the world for the purpose of these very questionable territorial or regional military disputes, insurrection or civil wars.

The Government is determined to sell off a winner, a profit-making Crown corporation, which I do not believe it should do. It is a corporation which could have been an example of how a Crown corporation should be run successfully. Nonetheless, with its massive majority, the Government is going to force the sale through. But I hope it will make certain that there are restrictions on the sale abroad of the products produced by the new owners.

**Mr. Boudria:** Mr. Speaker, I have a question and a short observation first. The Hon. Member will no doubt be aware that the Government in its attempt to sell this Crown corporation decided to hire the firm of Arthur Andersen Limited from Montreal in order to assess the value of its assets and business for the purposes of arriving at some sort of price for its disposal. The Minister of Supply and Services (Mr. McInnes) sent me a letter on January 20 in which he said:

Further to my Legislative Assistant's discussion with you last week, I must once again advise you that I cannot provide you with a copy of the Arthur Andersen Report. However, I can confirm that the Arthur Andersen Company carried out a valuation study of CAL prior to commencement of the bidding and negotiation process and estimated that the value range for CAL was \$80 million to \$98 million.

The Hon. Member will know that the company is proposed to be sold for an amount of \$92,224,941, in other words, considerably less than the maximum indicated in the Arthur Andersen report. Does the Hon. Member agree with me that the Arthur Andersen report should be tabled in this House so that all Members of Parliament could in fact determine whether or not the Canadian taxpayers are receiving their money's worth, notwithstanding the fact, as he said, that perhaps we should not even consider selling the company at all? However, recognizing the majority the Government has, I think the least we should do is ensure that the taxpayers of Canada are well compensated for their belongings, and of course this company belongs to the taxpayers of Canada. Does the Hon. Member think, as I do, that this process should be made public, that the Arthur Andersen report should be tabled in the House so that all Hon. Members can know the value of the company?

I give an example to the Hon. Member. Is the company worth \$98 million if it has a guaranteed Government contract? Is it worth slightly less if it does not? In other words, why can we not get the details of this process in order to be able to fully determine whether or not the taxpayers of Canada are reaping all of the benefits from this sale, notwithstanding the fact that we may not even want it sold, to start with?

**Mr. Blackburn (Brant):** Mr. Speaker, I want to thank the Hon. Member for putting that question to me. I made reference in my remarks to the fact that we did not have all of the details of the transaction. I think it goes without saying that whenever a Crown corporation is sold—regrettably, a profit-making one like this—all of the details of that transaction should be tabled in the House so that we know exactly what happened. After all, we are the custodians here, not of private stockholders but of public funds which are given to us by the taxpayers of Canada by law. They are the owners, as the Hon. Member pointed out. The taxpayers should be apprised of all