privatization problem. The employees want to maintain their present status under the Public Service Superannuation Act. They understand quite well that the Government does not want that link between a private company and the Public Service Superannuation Act. Their first request was for the Government to pay both shares. However, there was a counter offer by the Government, that it would make an offer through Order in Council sometime in the future. It was a fairly hollow gesture, one which we could not expect loyal employees who worked for a long time for this important corporation to accept.

We have not really dealt with the link between the Department of National Defence and Canadian Arsenals Limited or how Bill C-87 will affect that long standing relationship. The Government was asking the employees to give it a blank cheque. It said that sometime in the future it would do something for them. It did not know what that would be; it did not even hint at it. In any event, the Government told them that it would do something for them in the future and that they had a year in which to make up their minds on whether they would accept the offer. It was not really a fair way to treat loyal employees who had been working for Canadian Arsenals for a long time.

On the other hand, the people affected said that they would pay both shares if the Government would not do it. They made that offer to the President of the Treasury Board (Mr. de Cotret). He was asked to respond to that most magnanimous offer by the employees, but he has not responded. So we are here today debating an amendment of my colleague, the Hon. Member for Glengarry-Prescott-Russell (Mr. Boudria), to do the very things the employees want to do. I think it is incumbent upon the Government to accept the offer. It is a fair and reasonable one and it is magnanimous on the part of the employees to make it.

• (1450)

There is a wider issue here, Mr. Speaker. If we are going to have a sound economy we have to have better employeremployee relations. There has to be a new relationship with labour. If the Government is serious about that it should lead the way by showing that kind of attitude toward its employees. The Government should set the tone in the country by example.

We have seen strikes across the country. We are presently, I hope, in the final stages of one in my own province on the very same issue. The public servants in Newfoundland have virtually brought the province to a standstill and have negotiated directly in public with the Premier. They have forced concessions from the Newfoundland Government. The matter is still not resolved, but it is a case in point. Governments have to set the tone for the new economic reality. There has to be a new relationship with labour. There has to be peace with labour and you cannot do it by confrontation or by walking all over people. You have to sit down and be reasonable with

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people, particularly those who have served the Government and the people of Canada faithfully for a long, long time.

I say to the Government and to this Parliament that it is incumbent upon us to support the amendment from my colleague from Glengarry-Prescott-Russell. He has worked long and hard for many of the people, many of whom live in this area. Most of the people who are affected, as I understand it, are employees in Montreal and St. Augustin near Quebec City. The employees in question deserve fair treatment. They are making a reasonable proposal and I think it is incumbent upon the Government to accept it.

There is that wider issue, namely, the new relationship with the working people in the country. If the working people are going to be sent a signal, let them be sent a signal on this issue that the Government of Canada and the Parliament of Canada is offering the working people a deal, a fair and equitable place to earn a living, a deal that protects them in the long run. We are facing rapid change. People feel threatened and insecure. Neither politicians nor businessmen—in fact, no one is exempt from that insecurity brought about by the rapid changes in society. We have a chance to do something for these people. We are all in the same boat. It is more important to understand the reality in which we find ourselves. We should act today by supporting this amendment and showing the workers that we are keeping faith with them.

[Translation]

Mr. Dan Heap (Spadina): Mr. Speaker, I am opposed to Bill C-87. I oppose this measure as does my party because it will be harmful for the people of Canada as well as for the men and women who work for this corporation.

[English]

No good reason has been shown why this company should be sold, Mr. Speaker, no good reason at all. It is a company that has been making a profit. It is a company that stands and ranks well with other Canadian companies. It is a company that provides a vital service. Further, if the company is sold there will be great danger that its employees will lose many of the benefits which they have earned by their service to the Government and the people of Canada as employees of this Crown Corporation.

The sale ought to be delayed until at least the proper interests of the employees can be preserved. I would welcome any possible amendments to serve the interests of the employees of the company and the people before this Bill is passed.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 1.

Is it the pleasure of the House to adopt the motion?