

am told that the Treasury Board representative told the union that the pension plan they would receive is being adjusted to the industry norm. That would indicate no indexing and there may well not be early retirement at 55. The workers who already have 30 or 40 years of service will be expected to continue to work until 60 or 65, or lose entirely, or suffer a very substantial reduction in their benefits.

On January 2 the Treasury Board was asked for information about the SNC pension plan. One would have thought that could have been provided within a couple of days or perhaps a week. However, as of today, March 10, that information has yet to be provided to the union. That is far from fair and above-board dealing, and certainly far from the arrangements which the Minister indicated had been made. We need those details. When we come to committee stage I suggest the Government get about its business and make sure that information is provided so that the workers do not find they have bought a pig in a poke because of mishandling of this sale by the Government of Canada!

Concerning job security, there was no indication at the time the sale was announced that jobs were on the line. However, we had the first indication of that in the Minister's speech. He said:

The undertaking and indication of the company is that it will continue to employ the great majority if not all of the employees.

If I was a worker at Canadian Arsenals I would be damned scared about that because I do not know what it means. Does it mean that management employees are going to be made redundant because their jobs will be taken by people from IVI, the other subsidiary of SNC? Does that mean production line workers are going to be laid off despite the anticipated doubling of the output of this company over the next five years? That kind of slipshod statement should not be permitted. It should have been sorted out.

This Bill goes to such pains to ensure that the Government has control over any subsequent sale of CAL to another owner. It contains safeguards in order to retain 75 per cent Canadian ownership of this company. Given that, the Bill could also have ensured that there would be job security for the workers affected; if not forever, then at least for four or five years. It would be expected as well that SNC would manage the company in order to maintain the jobs of the affected workers. However, this was not done.

SNC is said to have guaranteed it will honour the existing contract. The union has not seen exactly what that clause is and whether it is a bankable kind of contract. Can they go to court if SNC chooses to back away? Is there some means by which the Government will monitor the agreement to make sure that clause is respected?

There is a difficult problem here because these workers are passing from the jurisdiction of the Canada Labour Code to the Quebec Labour Code. There are no successor rights when you transfer a contract from federal to provincial legislation. I am sure the Parliamentary Secretary and his Minister either knew or were informed of that by the strategic planning people who handled the sale. Under those circumstances information

Canadian Arsenals Limited

should have been given to this House that the Government sat down with officials of the Quebec Minister of Labour in order to ensure a workable and effective means of ensuring that successor rights are handed on. If it cannot be done by way of a co-operative agreement, then the necessary legislation should be brought forward at both levels of Government. However, that has not been done.

The privatization policy of the Government as enunciated by the Minister of Finance (Mr. Wilson) in the November, 1984 economic statement was that the Government will be sensitive to the concerns of management and employees of corporations which may be considered candidates for sale; while recognizing that negotiations must be conducted confidentially, every effort will be made to keep these groups informed of significant developments and ensure that their legitimate interests are not jeopardized. Up until now that has not been done with respect to the workers of Canadian arsenals. They have been treated like mushrooms; kept in the dark and fed a diet of horse manure. That is not good enough.

If you have a policy, even if it is inadequate, you should stick to it. However, we found in the case of de Havilland that the workers were the last people to be told what was happening concerning privatization. That appears to be happening again in this case. I suggest that is the policy the Government is now following consistently. It does not give a damn about the interests of the workers involved. When workers have worked faithfully for the Government of Canada for 10, 20 or 30 years, they deserve to be treated in a better way than the Government is doing in this case.

● (1240)

That brings me to the final point, which, is where the devil is this whole privatization thing taking us? In the one case the Government sold off de Havilland because it said it was losing money. Now it is selling off Canadian Arsenals because it says it is making money. We have seen the financial record over the course of the last few years for Canadian Arsenals. As parliamentarians we deserve to know whether this has been achieved because of damn good management on behalf of the people, the public service managers running Canadian Arsenals. Have they cut their costs and therefore increased their profit, or have they perhaps simply gotten a better price from the Government of Canada? We should know why it is that the Government is now spending three times as much for ammunition as it was spending through Canadian Arsenals in 1980. Is this a matter of policy? Are they deliberately firing ammunition out into the ocean in order to use up the guns and ammunition to increase the profitability of this company in order to make it a candidate for privatization? Who knows?

I was given to understand that as far as the Navy was concerned, they can no longer get their ships out to sea. How they are using any more ammunition is certainly beyond me.

If an acquisition is taking place in the private sector good management says that, in addition to talking to senior management to let them know what your plans are, you also try to bring the workforce into your confidence. You try to give them