

*Canadian Arsenals Limited*

Even if these plants are not shut down, the company which is buying it might shut down its other plant. That is not in the interests of the country.

This company also sells a vital product to the country. If it is taken over by another company and that company decides to cut back production, for whatever reason, perhaps even to dismantle the plant, then if there is a desire to expand, the Government will be in a much less favourable situation than it is at the present time.

Furthermore, it has been pointed out that the likelihood of the sale of this company to its only sizeable competitor will result in a near monopoly for that company. There will be less control of its operations by our Government. There will be less opportunity and less practical readiness for the Government to exercise its control over the export of weapons to countries such as Central American countries, and to groups there such as the American-backed Contras who have already, by some means or other, been able to obtain ammunition from Canada. It is much easier for the Government to exercise its responsibility over control of a Crown corporation than it is to exercise that same control over a near monopoly, if the Government sells a Crown corporation to its competitor.

I am concerned about the fact that the rights of the employees are inadequately protected and poorly considered by this legislation. The pension arrangement has not been clarified. There has been some effort to do so, but it has not been clarified to the satisfaction of the workers in the plant or to that of the union which represents them. That can be done. There is precedent, in legislation, for providing the workers with a choice. Once they have made their choice of whether or not they will stay with the old system or enter a new one, then the matter will be resolved.

However, this is not the case now. The matter has been left in some confusion, which is simply not fair. The practice of dumping a union or a pension plan by changing ownership is a practice which is growing to be much too common in Canada. This morning we heard that the rate of mergers in Canada in the last few years has more than trebled. The effect of these mergers is very often not only to eliminate jobs but also very often to undermine or even to destroy the bargaining rights of the employees who, without proper legislative protection, have no recourse. In fact, they do have recourse in terms of a wildcat strike.

There are many other matters besides the pension matter which these workers have negotiated over the years. There have been many examples of what happens during a transitional period from federal labour jurisdiction, as in this case, to provincial labour jurisdiction, from one owner to another. There will be the question of whether the same union will have successor rights. There will be the question of the administration of grievances throughout a period which may be many months, or even a year or more, if there are legislative hang-ups. There will be the question of the whole administration of the labour contract. Even if the new company acts in good faith, which we are told it is doing, experience with many such

companies raises the question, even if the Government of Quebec is acting in good faith—it is very new and we do not really know what it is like—of the procedural problems of transferring from a federal company, under federal law, to a private company, under provincial law, which may very well gum things up for the better part of a year.

I have had experience in a factory where I worked for 18 years as a union officer, as a grievance officer and as secretary of my local. I know how important it is that grievances be handled promptly. They should be taken up within a day or two of the time the matter arises, the time when it is grieved. The settlement of them has to move within certain time limits, according to the contract, in nearly all cases. This is a matter of general labour law. If it is delayed because it is not known who the official responsible is or under what labour law they are operating, then there can be an immense amount of hardship and bad feeling created. This is unnecessary. It could be avoided by the proper interim legislation. Having the verbal assurance of SNC that it will recognize successor rights, even if that intention is good, does not come anywhere close to providing a firm with the legal framework under the whole operation of these two plants in relation to their employer relations.

The hoist of a year and a half implies that the proclamation would be at the end of that time. That need not seriously hinder the transition, and it need not hinder the profitability of these two plants. It gives time to work out these pension arrangements for the employees. Perhaps it would even give time to ensure that certain safeguards be written into the agreement. This would ensure that the industry, which is a necessary industry to any country, remains effectively under Canadian control. It would ensure that neither will Canada lack its services when they are needed nor will its services be put to a use that is contrary to government policy. Therefore, I hope that Hon. Members will support this amendment unanimously.

● (1550)

**Mr. Sergio Marchi (York West):** Mr. Speaker, once again I am pleased to participate in debate on report stage of this Bill and to address the amendment that would have the effect of delaying for up to a year and a half the legislation we are debating this afternoon and have been debating for some months, the Bill which provides for the privatization of Canadian Arsenals Limited. I believe the amendment speaks not necessarily to delay for the sake of delay. Rather, its purpose is to tell the Government that it needs to go back to the drawing-board and to be more precise.

If this legislation were delayed, it would be strengthened, and that is what we were elected to do. If we were elected to ratify holus-bolus whatever the Government intended to do in quick and short order, then we would not be fulfilling the major responsibility inherent in the position of a Member of Parliament, in particular a back-bench Member of Parliament. We were elected to ensure that the legislation that flows from