

Eldorado Nuclear Limited

avoided if perhaps the Hon. Member and someone on the Minister's staff had gotten together in pursuit of the information. It is obvious that the Government was quite prepared to give out that information.

I think I can say in favour of the submission made by the Hon. Member for Glengarry—Prescott—Russell that it is unfortunate that that information got into the hands of someone else rather than his own when he in fact had requested it. However, I can understand how it happened and, as I say, I do not think it is a question of privilege. I thank all Hon. Members for their interventions.

GOVERNMENT ORDERS

[English]

ELDORADO NUCLEAR LIMITED REORGANIZATION AND DIVESTITURE ACT

MEASURE TO ENACT

Hon. Barbara McDougall (Minister of State (Privatization and Regulatory Affairs)) moved that Bill C-121, an Act to authorize the reorganization and divestiture of Eldorado Nuclear Limited and to amend certain Acts in consequence thereof, be read the second time and referred to a legislative committee.

She said: Madam Speaker, I am very pleased to lead off today on Bill C-121, an Act respecting the reorganization and divestiture of Eldorado Nuclear Limited. As all Hon. Members are aware by now, the federal Government and the Government of Saskatchewan reached an agreement on February 22, 1988, to merge and privatize the assets of Eldorado Nuclear and the Saskatchewan Mining Development Corporation. The legislation under debate today provides the federal Government with the authority to implement the commitments it made under that agreement.

This is a relatively simple Bill, but it represents a very significant step forward for the companies involved and also for the Province of Saskatchewan and for all Canadians. It also represents another landmark in our Government's highly successful efforts to bring new opportunities for growth and good management to the public sector, and that includes, of course, both government departments and Crown corporations.

[Translation]

The decision to privatize a Crown corporation is never taken lightly. First, this is a complex procedure. We have to ensure that the corporation no longer serves to meet one of the public objectives which can only be reached by the Government retaining ownership. Second, we believe that privatized corporations must be given what they need to be viable after privatization, to take full advantage of the transfer from public to private ownership and to assure the existence of new opportunities for the business and its employees.

Third, we believe that the very process of privatization must respect all the interests related directly or indirectly to the Crown corporation and its activities. I am thinking of the interests of the employees, of public safety and of the right of Canadian taxpayers to have their financial interests protected.

Madam Speaker, the Bill now under consideration will make it possible for the forces involved to combine and create a synergy which will not only protect, but also enrich these interests in decades to come.

[English]

The decision as to whether or not Eldorado needed to continue as a publicly-owned corporation was a relatively easy one. Clearly in the case of Eldorado, ownership was not necessary to achieve public policy objectives, nor had it been for a number of years.

Members opposite who were part of the previous Government will concur with this decision because they made the same decision even before our Government came to power. In 1983, the Liberal Government transferred the shares of Eldorado Nuclear to the Canada Development Investment Corporation and the Minister responsible for CDIC subsequently stated in the Senate: "I don't see any reason why the Government of Canada in the 1980s needs to maintain an investment in the uranium industry". I am sure that all Hon. Members opposite in Her Majesty's Loyal Opposition will support wholeheartedly the principles of the legislation before us.

Prior to our Government reaching an agreement with the Government of Saskatchewan, we, together with the CDIC and its financial advisers, assessed a range of privatization strategies. The merger of Eldorado and SMDC and the subsequent privatization of the new company is a strategy that will contribute most to future growth and opportunity, the primary goal of this process.

Eldorado Nuclear Limited has been in existence for 61 years. It is the oldest uranium producer in the entire world. It is a worldclass operation and a dependable supplier, with a solid domestic and international customer base. Eldorado is also the only integrated producer in Canada, which means that it can process ore to create uranium products for use in Canadian reactors to serve Canadian energy needs as well as for export to serve the energy needs of other countries. It has new, modern and efficient plants and owns and has interests in uranium mines that produce ore at competitive costs.

● (1540)

The other partner, the Saskatchewan Mining Development Corporation, is one of the world's largest suppliers of uranium, producing 7 per cent of the western world's capacity in 1986. It has very good sales contracts that extend well into the next decade. The company has emphasized exploration efforts over the last few years and, as a result, it has some of the world's largest commercial reserves.