

mittee, but we do think we ought to employ sufficient research people in order to counterbalance the hundreds of mandarins and civil servants and so-called experts who every session appear before the committee. Yet here we are, sitting in the middle of all this and attempting to ask cogent and relevant questions. Although we have been ably assisted by one researcher—and I understand now that there is a second with legal background—I still think we should have more support staff.

I should say at this point, and I am sure I speak for all members on the public accounts committee, that the recent appointment of an extra research assistant for the committee was most welcome. At the same time, I personally feel that in previous years the committee worked harmoniously in plodding through the annual report of the Auditor General. Our task in the coming months will be somewhat different, however. In light of the revelations of the past ten days, I noticed for the first time during the committee's initial meeting that the government members of the committee seemed rather jumpy and uptight. I suspect this is a reflection of their uneasiness over the topics that will be discussed and over some of the questions which will have to be asked. I suppose that is an understandable reaction on the part of government supporters. I hope that we can soon turn to our former spirits of conviviality and objectivity which have characterized the deliberations of the committee since I have been a member of it and which were evident, as I understand it, long before I came here.

Some of the topics which have to be aired include the verification of rather questionable expenses paid to agents of Atomic Energy of Canada Limited for their work in securing sales of our CANDU reactors to South Korea and Argentina. The energy minister said last Tuesday that he was concerned about the possible implications of the grandiose sums of money that were paid to these agents and not really accounted for. What concerns me, Mr. Speaker, is why this concern was not shown, or apparently not shown, at the time the payments were being made. AECL officials or the minister responsible for the agency will have to explain why they were originally satisfied with the invoices supplied by United Development Incorporated. Obviously, the Auditor General was not satisfied with the invoices and I am shocked that AECL officials thought little of it at the time. We must determine what happened in this regard.

Yet another matter with which we will have to deal is the allegation made by the former auditor general that he had informed the Prime Minister, by letter, in 1973 that the Polymer Corporation was paying bribes to foreign buyers to sell certain products. This is a serious matter and I hope that during committee meetings we can get the following points cleared up: first, was the letter to which the Prime Minister referred in the House on November 26, 1976, the same letter to which Mr. Henderson, the former auditor general, referred? I hope both the former auditor general and the Prime Minister will appear before the public accounts committee to produce their respective letters. Second, I think Mr. Henderson should

Auditor General

be asked to corroborate his statements and state whether Polymer, or Polysar as it is now known, was the only Crown corporation to which he referred which used questionable invoices.

The former deputy auditor general should also be asked to appear before the committee to discuss his statements as quoted in the *Toronto Star*, which alleged that \$500,000 was paid to agents who acted on Canadian Commercial Corporation's behalf in the sale of 20 fighter-bombers to Venezuela. All we now know is that the \$500,000 was simply listed as marketing expenses; and the Minister of Supply and Services (Mr. Goyer) said yesterday that he thought this amount was reasonable. The committee will want to know what constitutes marketing expenses.

I know my time is running out and I shall make my last point. Since we are speaking of Crown corporations, we must ask how should a Crown corporation operate when promoting sales outside this country? I know a Crown corporation has to compete with the private sector, but I would hate to think that public funds channelled to Crown corporations are being used to pay bribes or for expensive sales promotion gimmicks. I would hate to think that Crown corporations must sink to the level of some private corporations in their sales promotion gimmicks and tactics.

To take an example, I think we should fix the price of the CANDU nuclear reactor. It is the best nuclear reactor today, as is acknowledged by most scientists, and we should say to prospective buyers, "This is the price. If you will not pay it, that is all right; go elsewhere, pay more for another reactor, and pay money for bribes." I have heard that when you deal with the Republic of Korea, the country which used to be called South Korea, you have to grease just about every palm you shake in order to get a contract. We in this House are responsible to the people of this country for our Crown corporations. Therefore, we should not directly or indirectly engage in that kind of nefarious activity. All this reminds me of the immigration case involving Dang Van Quang who was in the opium business or the illicit drug business in Southeast Asia. The President of the Treasury Board, who was then minister of manpower and immigration, referred to Dang Van Quang as nefarious. Will we learn in the committee hearings if bribery has been used? Does the government condone that kind of commercial activity in selling nuclear reactors to a highly unstable and questionable state such as South Korea? I am also thinking of what happened in Argentina, and hope we will not use these tactics in future in selling our reactors. We must make it abundantly clear that Crown corporations must operate on an ethical level much higher than that of some private corporations which in sales promotions have all the morals of an alley cat.

Mr. Robert Daudlin (Kent-Essex): Mr. Speaker, I regret, since I am to speak at this late hour this afternoon, that I shall be unable to use my prepared notes which I am sure the House would have found most interesting. Unfortunately, I must have to save them for another day. Perhaps I can use some of the remaining time to put right some inaccuracies and misunder-