

bassy, one is an official of the Soviet trade office in Ottawa and one is a member of the International Civil Aviation Organization secretariat in Montreal.

"The Soviet nationals involved are: Igor P. Vartanyan, First Secretary responsible for sports and cultural affairs, Soviet Embassy, Ottawa; Nikolai M. Talanov, counsellor, Soviet Embassy, Ottawa; Anatoly A. Mikhalin, official of the Soviet foreign trade office, Ottawa; Vadim A. Borispolets, Attaché (consular affairs) Soviet Embassy, Ottawa; Vladimir L. Souvorov, Second Secretary, Soviet Embassy, Ottawa; Vladimir I. Oshkaderov, translator, International Civil Aviation Organization (IACO), Montreal; Yevgeniy K. Koblov, clerk, Soviet Embassy, Ottawa; Gennadi V. Ivashavitch, Third Secretary, Soviet Reztsov, employed in the library of the Soviet Embassy, Ottawa; Pyotr R. Linnenurm, Second Secretary (consular affairs), Soviet Embassy, Ottawa; Voldemar P. Veber, formerly Second Secretary in the consular division, Soviet Embassy, Ottawa, returned to the USSR July 1977; Andrei V. Drysin, economist, Soviet foreign trade office, returned to the USSR December 1977.

"Early in 1977 two Soviet intelligence officers approached a member of the Royal Canadian Mounted Police and offered him an unlimited sum of money to spy for them. This member of the force had, on an earlier posting and in the normal course of his responsibilities, come into infrequent contact with one of the Soviet officials in this case.

"To establish the ultimate purpose of the Soviet approach, the member of the force was authorized, by the RCMP, under carefully controlled circumstances, to meet with the principal agent, Mr. Vartanyan, in accordance with elaborate instructions he had received from the two Soviet officials. Between April 1977 and the present, he met secretly with the principal agent on seven occasions.

"The twelve other Soviet nationals identified with this operation, were involved in

different support functions including transportation, counter-surveillance and regular weekly observation activities.

"This case proved to be a classic example of an intelligence operation, involving complex signalling systems, coded passwords, secret concealment devices, all for the purpose of arranging clandestine meetings between the RCMP member and the Soviet agent.

"As an example, on different occasions, filmed instructions were passed to the RCMP member in a hollowed-out stick and a specially prepared package of cigarettes. The RCMP member was instructed by the agent to obtain information on such subjects as the methods the RCMP security service employed against Soviet intelligence services in Canada, character assessments of RCMP personnel and details regarding RCMP counter-espionage cases.

"The RCMP member in return provided the Soviets with carefully screened non-sensitive information or completely fabricated material. The fact that he was paid \$30,500 for information of no consequence provides an indication of the importance the Soviet intelligence service attached to this operation. The important point for the House to note, however, is that this case has involved no compromise of Canada's security.

"This Soviet recruitment attempt is nevertheless a source of serious concern to the government. Its importance should be seen in the context of the unusual lengths to which the Soviet intelligence service was prepared to go to suborn a member of the RCMP. The case did not have any other implications for Canada's security. The evidence derived from this operation indicates that it was directed solely against the RCMP.

"The firm action taken by the government in this case will remind the Soviet Union of our determination to deter foreign espionage.

"The government regrets that activities of this kind should be conducted at a time