

*Oral Questions*

**Hon. Donald C. Jamieson (Secretary of State for External Affairs):** Speaking from memory, Mr. Speaker, I do not recall that this specific item is earmarked or spelled out on the agenda. However, there is a general topic relating to Canada's relations with Italy and, of course, the matter could be raised there. If the hon. member has any further requests to make and would convey them to me in specific terms I will, as I hope he will agree I have done up to now, transmit them, and I will be very glad to see what further steps we can take to get the information which I presume the former chairman of the Public Accounts Committee still wishes.

**Mr. Lawrence:** My only supplementary to the minister then is simply this: because of the lack of success that members of this House, including members of the Public Accounts Committee, have had in the past in getting this type of information from either the minister or his department, I wonder whether the minister or the government would object to a minor breach of protocol so that some private members of this House, even members of the Public Accounts Committee, could seek an audience with the Italian Prime Minister while he is here in order to emphasize the need for finding out what happened to that Canadian money?

**Mr. Jamieson:** Mr. Speaker, perhaps the hon. member is not aware of the fact, but the Prime Minister of Italy has very kindly agreed to meet with the Committee on External Affairs and National Defence of this House during his stay here. I understand there are members of all parties who will be attending that event. Certainly, there is no restriction in so far as we are concerned of the kind of discussion which could take place, so I would say it would be entirely up to members what matters they discuss with him.

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**ATOMIC ENERGY OF CANADA LIMITED**

AGREEMENT WITH MR. EISENBERG ON REACTOR SALE TO KOREA—PROPOSED DEMAND FOR RETURN OF MONEY PAID

**Mr. Bill Clarke (Vancouver Quadra):** Mr. Speaker, I direct my supplementary to the Acting Prime Minister. Since there is now evidence from South Korea that none of the 23 specific requirements of the Atomic Energy of Canada Limited agreement for post-contract services arising out of the Korean electric sale have been performed by the AECL agent, Shaul Eisenberg, will the government, which has allowed AECL to advance over \$2 million on these reportedly non-existent services, now direct AECL to demand the return of the money?

[Translation]

**Hon. Jean Chrétien (Acting Prime Minister):** Mr. Speaker, I shall inquire and report to the hon. member.

[English]

**Mr. Clarke:** Mr. Speaker, if the minister would not mind addressing himself to this, since the testimony of the AECL chairman to the Public Accounts Committee has now been

[Mr. Lawrence.]

placed in serious question, perhaps he would investigate these reports as well?

[Translation]

**Mr. Chrétien:** Fine, Mr. Speaker.

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[English]

**TRADE**

IMPORT QUOTA ON CLOTHING—SUGGESTED RETENTION FOR THREE YEARS

**Mr. Max Saltzman (Waterloo-Cambridge):** Mr. Speaker, I should like to direct my question to the Acting Prime Minister in both his capacities; that is, the Acting Prime Minister and the Minister of Finance.

Since the first talks to negotiate new voluntary restraints on clothing imports have now broken down, creating a great deal of confusion in the retail clothing industry, will the minister now guarantee that present global import quotas will be retained at no more than the 1975 import levels for at least three more years?

**Hon. Jean Chrétien (Acting Prime Minister):** Mr. Speaker, this is the policy of the government. We imposed those quotas in November last year.

**Mr. Saltzman:** For three years?

**Mr. Chrétien:** We implemented them last fall and we said later that they would be extended until July, 1978. Following that we have been negotiating an extension of these quotas for three more years. Those negotiations are still going on. Depending on the results of those negotiations, of course, it is the government's firm intention to provide a period of time in which the textile and clothing industry of Canada can adjust to the present situation. We envisage that as being for three years after 1978.

**Mr. Saltzman:** Mr. Speaker, about the only adjustment that has taken place has been one of disaster. Reports indicate that the talks with Korea about the levels of clothing imports have now broken down in what the press describes as wide differences. Can the Acting Prime Minister say what policy he will put in place to protect the domestic clothing industry because this talk about going to 1978 places the whole industry in a state of confusion.

● (1422)

**Mr. Chrétien:** Mr. Speaker, I just said we are planning to act for three years after July, 1978. We acted last November. The policy that the hon. member is promoting at this time is the policy that I enunciated last fall. We do not plan to change it. We have to follow the international rules. The first step is to get involved in negotiations with those countries that affect our markets. When that is completed, we will act according to international law. However, we have to complete the first round of negotiations.