

Eldorado Nuclear Limited

Government to get its house in order, to get its program, plan, or strategy together, so that there is a clear indication of just what direction it is taking on the entire matter of the privatization of Crown corporations which are owned by the people of Canada.

I realize that our remarks today should be focused on Bill C-121, but they would still be appropriate if we were referring to the most recent announcement that the Government plans to proceed in a relatively similar way with Air Canada. However, we need not get into that at this moment. I expect that we will have ample opportunity to deal with that in future when the Government brings in appropriate legislation.

My concern today is the environmental implications of Bill C-121. In considering the environmental aspects of Bill C-121, consideration should be given at the same time to the situation not only at Eldorado Nuclear now but to the wider implications of uranium mining in the newly merged company, which will inevitably encounter various challenges when it comes to the mining of uranium.

Eldorado Nuclear has severe environmental problems to deal with, especially at its Port Hope, Ontario refinery and at its northern Saskatchewan mine sites. Essentially its Port Hope dump site is full, which situation has been summarized by the Library of Parliament research staff. I think it is appropriate to read this report into the record because the implication is absolutely staggering. I should like to quote from the document wherein it indicates:

The effluent treatment process at Port Hope refinery produces approximately 600 tonnes/year of solid waste that is mainly calcium oxide (lime) containing calcium fluoride and uranium at 500 to 1000 ppm.

This is quite astonishing, as an aside. It continues:

This material, and much smaller quantities of other solid wastes that contain metallic impurities including arsenic, are dumped at a licensed site near Port Hope (the Granby dump site). This depository is close to being full and yet no alternate site or plan has been selected. Eldorado has been waiting for the federal government to decide what should be done with this dump, and presumably the new company will also wait for direction. Any plan that requires the removal of the material to a new site will be very expensive (mainly transportation), and according to the details released with the merger plans, the costs will be borne mainly by the federal government (possibly to as much as \$100 million).

The resolution of the Port Hope situation is mainly to dump the responsibilities on to the federal Government which will pick up the bulk of the costs. The first \$2 million will be borne by the company. Of the next \$98 million, 23.5 per cent will be borne by the company and 76.5 per cent will be borne by the federal Government. About \$100 million of clean-up costs will be borne by the federal Government in total.

This raises the following spectre: What are the economics of the deal? When the federal Government picks up the entire financial obligation of clean-up and assumes a good part of the debt, naturally it is a good deal for the private sector. However, once again it is the taxpayers of Canada who are picking up the tab and the benefits are accruing to persons in the private sector.

We must ask why there is such a sweetheart deal for a company being purchased as is. Companies are normally purchased with assets and liabilities. However, some of the key liabilities in this transaction have been taken over by the federal Government.

Let us look at the mergers and takeovers which have taken place in Canada in the last 2.5 years. I think in excess of 3,000 Canadian companies have been taken over. When they are taken over or purchased by a foreign company, the foreign company buys both the liabilities and the assets. This would be traditional in a business transaction of this nature, but not in this case where the key liabilities have been taken over by the federal Government.

The question is why. I know that is the question which most Canadians listening today must be asking. Why is this the case? The answer is simple. It is that the Government is desperately anxious for a good share price in the flotation of the new company stock. Let us face it that the whole matter about which we are talking is flotation, the flotation of stock at the best or most attractive price possible. What better way than for the federal Government to assume the liabilities of environmental responsibility as well as Eldorado's enormous debt.

Eldorado's environmental difficulties do not end with the dump sites. Madam Speaker, I know that you would not think for a moment that we are simply concerned about the dump sites. There are further problems at Port Hope and in the Saskatchewan mines.

Returning to the report to which I referred earlier, it indicates:

Continued operation of the Port Hope facility, especially at the present high rates of production . . . will generate considerable levels of solid and liquid waste. With the proximity of the plant to both Lake Ontario and the town site, the new company would do its image a great deal of good by committing itself to efforts to recycle or clean up and sell all such wastes.

Most of us have been disappointed because no mention was made of this type of approach in the legislation. There has been no indication of what will happen in terms of the efforts to recycle waste materials or to clean up in some way. That is the disappointment which most Canadians feel in terms of this legislation.

• (1650)

Clean-up problems also exist at the mills in Saskatchewan. While we have been focusing our comments on this one facility, there are clean-up problems in Saskatchewan which must be addressed as well. The tailings that are produced contain small amounts of uranium, radium and other elements. Very good effluent treatment is required on an ongoing basis and a thorough understanding of the principles involved must be taught to the personnel involved. Historically, such an understanding has been suspect, at the very best.

These are two areas that have been identified as problems which the Government has yet to acknowledge. It leads to the