

Eldorado Nuclear Limited

I would remind the House that it does this under U.S. terms. One of the clauses in the agreement has decreed that the further processing of uranium has to occur on the American side rather than on the Canadian side. What extra jobs might accrue to the industry through the processing of the product will occur on the American side rather than on the Canadian side.

● (1120)

The main reason, rather than being one of good economics, good business, and good timing for having Eldorado Nuclear as a Crown corporation in the beginning, was a clear and urgent need perceived by the Government of the day. I think that need has not changed a great deal over time, that is, to have as much control as possible over a very critical industry which has large implications in the defence field. It is not just a source of energy. It is even more critical for the survival of the human race to consider it as a very cogent part of today's defence needs.

The original concept was to permit the Government, as the sole shareholder, to exert its needs and desires in terms of control over the sale of the product. Subsequent Governments have not always utilized all that control power. We have seen many examples of uranium being sold to countries that are not using it in a responsible manner. They have in fact taken it through its first stage in the nuclear reactor to extract power and have taken the waste to develop weaponry with it.

The list of countries which now have the technology to create nuclear arms has expanded greatly, because we have not exerted full control over the waste product from the first reaction. We have permitted that to be dispersed throughout the world, and now a great many countries, although they are not particularly world powers, have the capability of preparing and using nuclear weapons. I do not have the list of possible countries in front of me, but from memory it seems that countries such as Israel, Pakistan, India, and China are known or believed to have nuclear weapons. Other countries such as Brazil and Argentina are probably capable of producing nuclear weapons. South Africa is believed to have an operating unit. The list goes on and on. It is scary that these countries are also countries wherein extreme political instability exists either internally or in their relations with their immediate neighbours. The risk of nuclear war or of the emergence of a nuclear holocaust because of some loss of control of the industry has followed.

The answer which the Government is proposing, simply to privatize the industry, is not a responsible direction in which to go. Not only are the questions of defence and world instability at stake here both politically and on a war footing, we have equally urgent concerns about control over the nuclear industry as it applies to the environment which the Government appears to be giving up with this initiative. The chances of controlling Eldorado Nuclear in its use of waste, its factories, its reprocessing, and its use of tailings are much more in the hands of government regulators when it is a Crown

corporation than when it becomes a private corporation. Almost every citizen can recall a private corporation which has polluted the environment and has escaped any penalty for so doing. The Great Lakes are becoming very close to being polluted to the point where the quality of drinking water is at risk. Some of the lakes have a turnover—that is, the water in, the water out, and the flushing capacity—in the hundreds of years.

Once the full saturation point is reached they are virtually dead to the use of humanity without applying a great deal of technology to purify the water before it is made usable for the people who live in the neighbourhood of the lakes. The preponderance of the population and the industry of North America is located around the lakes. This is an extremely important factor. Part of the industry about which we are talking today, Eldorado Nuclear, has contributed somewhat to the environmental problems in the area, although because it has remained under federal control they have been kept to a minimum. The Department of the Environment has done a fairly good job of containing this Crown corporation. I submit that it has been more successful in containing a Crown corporation than would have been the case had it been a public corporation.

Earlier I raised the question of declining demand and some U.S. actions which have made that demand drop even faster. I remind the House that just in the past month the United States Senate, by a vote of 62 to 28, passed a Bill which would penalize the use of foreign uranium including imports from Canada. Granted, this is a direct violation of the proposed trade agreement. It violates the stand-still aspects whereby both parties agreed not to implement such legislation. I realize that the legislation has not yet completed the full process in the United States, but I think the 62 to 28 votes against permitting further access to the American market for Canadian uranium is very significant.

This is a crucial presidential election year and there is an opportunity for the House of Representatives to change completely, but the Senate vote is a good indicator of what the U.S. public thinks about imported uranium. I submit that the prospects for uranium do not look good. Any potential buyer of the shares would certainly be taking that into consideration when he or she, or if it were a publicly traded corporation, decides to place an evaluation on the shares when submitting a bid.

In short, I do not think the Government will recover very much money with the sale of this organization. It has agreed to continue to be responsible for a good chunk of the debt, the \$550 million to which I alluded earlier.

What will the public be gaining from this particular initiative? It is not clear to me that the public will gain very much. The sale of shares will not do much more than change the control structure of Eldorado Nuclear Limited, a control which I submitted in my previous argument should not be given up by the Government of Canada. It should be retained