

Atomic Energy of Canada

We want to know whether the minister will implement all the Auditor General's recommendations before AECL gets another cent of taxpayers' money. We want to know what type of fundamental changes are going to take place in relationships of Crown corporations to government and to parliament—the question of total accountability of Crown corporations. There is legislation being drafted in secret, but it behooves the government to come forth and come clean with the kind of legislation it proposes to this House.

We want some answers. We want to assure the minister that we will not sit back until we get a full explanation of this whole mess. We demand that every cent of taxpayers' money invested in AECL's incompetence be fully accounted for and approved by parliament, and not channelled through some flim-flam arrangement like the one mentioned by the minister in his statement today. The minister's statement raises a lot more questions than it answers. We on this side are not going to be in a position to swallow the weak, lame-duck approach the minister has taken in this whole affair.

Some hon. Members: Hear, hear!

● (1530)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, when ministers make statements on motion it has been customary to make copies of their statements and any financial reports available to opposition parties 15 minutes or half an hour before the House opens. Sometimes we got them one or two hours before, if the minister was very courteous. Lately the time has been shrinking; more recently it has been ten minutes before two o'clock. We received this statement—not just the statement but the financial statement and the auditor's report—at 2.15 p.m. after the House opened, with no opportunity to check our files or look up any of the data which we might need to discuss a matter as important as this.

Mr. Paproski: You are lucky to get it even then.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I can understand the minister's reluctance to give the opposition too much time to look at this very sorry mess for which he has tried to excuse the government in the statement which he made today. This is a statement to tell the House that in this year the Atomic Energy Corporation of Canada has lost not just \$180 million but, if you add to that the appropriation by parliament for this year of another \$110 million, we are talking about a loss, in so far as the Canadian taxpayer is concerned, of \$290 million.

As the minister has pointed out, some \$37 million of that comes as a result of the heavy water operations. If ever there was a political boondoggle, it was the heavy water plant in Glace Bay, Nova Scotia. When the government first announced that it was looking at this project, I asked the government some questions because I knew that the people who had the process had peddled it in ten or 20 countries and had been rejected by the governments in those countries on the recommendation of their top scientists.

[Mr. Mazankowski.]

All I got for my pains was that the President of the Privy Council (Mr. MacEachen) went down to Nova Scotia and made a broadcast in Sydney. He said over the radio that I was trying to prevent Glace Bay from getting the heavy water plant so that it could be taken out to Saskatchewan. I did not care where the plant went; I did not want the government to buy a lemon, which is what they bought, and having spent millions of dollars on the plant, they had to scrap it and start all over again. What they should have done was the kind of research which any reasonable company would have done before starting to spend a hundred million dollars on a heavy water plant.

The second item in the loss has to do with the Cordoba nuclear station in Argentina, and here again I can understand the minister when he says: "while the full magnitude of the losses and their timing is uncertain". They are certainly uncertain because let me remind the House that I think I was the first person to raise in the Committee on National Resources and Public Works the fact that the agreement with the Argentine government, in which there was no inflation clause, was going to result in a loss, I estimated, of \$163 million. Dr. Foster said that was an exaggeration, it would be somewhere in the neighbourhood of \$100 million, and the minister assured us, as did Dr. Foster, that the government would renegotiate the agreement and that they would knock off \$70 million or \$80 million. The minister has repeatedly said in the House that the final loss would be about \$25 million. What do we find now? The loss is \$130 million on selling the reactor.

Miss MacDonald: That is after renegotiation.

Mr. Douglas (Nanaimo-Cowichan-The Islands): If we keep on selling reactors in this fashion, we will go broke. The more we sell, the more we lose.

An hon. Member: Think of the turnover.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The fact is that AECL from the very beginning has been sales oriented. I have no objection to a company being sales oriented provided it also has some financial policy and administrative controls. AECL has not had either. It entered into an agreement with reference to the nuclear station in Cordoba, Argentina, in company with Italmimpianti as a partner and paid out over \$2 million into a numbered bank account. The president, the chairman of the board, the minister and members of the government all tell us that they do not know to whom the money went. To take over \$2 million and spend it and still say they do not know who got the money is the height of incompetence.

Some hon. Members: Resign.

Mr. Douglas (Nanaimo-Cowichan-The Islands): They went into an agreement with Mr. Shaul Eisenberg with reference to the construction of a nuclear plant in South Korea. I have the transcript of the interview with the president and the vice-president of the Korean Power Company in which they say repeatedly that they never saw Mr. Eisenberg; they never met