

SUGGESTED REQUEST FOR MR. CARON'S RESIGNATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, in view of the fact that the minister has just informed the House that he became aware only last night of the conflict of interest position of Commissioner Caron, I would like to ask the minister, who has to take the responsibility for this royal commission and who did just that when he announced it to the House, whether he will now ask for Mr. Caron's resignation from that commission, since there is no doubt that there is a conflict of interest.

Hon. Robert K. Andras (President of the Treasury Board): It is very sad that a member of this House would choose to infer from my indication that I became aware that Mr. Caron had been a director of AECL that that per se constitutes a conflict of interest. I did not say—and I certainly would not promise—that I would ask for his resignation until I know a great deal more about the circumstances.

Some hon. Members: Hear, hear!

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ENERGY

SALE OF NUCLEAR REACTOR TO ARGENTINA—DATE OF
CONCLUSION OF RENEGOTIATION OF CONTRACT—AMOUNT OF
LOSS

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is also about one of these questionable matters. It is to the Minister of Energy, Mines and Resources. As the minister is well aware, for over a year now we have been asking him regularly how much Canadian taxpayers are going to lose on the Argentinian nuclear generating transaction. Will he now confirm to the House that agreement has been reached regarding the renegotiation of that contract? Would he tell the House when that agreement was reached? Would he also confirm that the amount the Canadian public is going to lose on that deal is in the neighbourhood of \$50 million?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, fortunately I am in a position of having to confirm that the loss is not going to be anything like \$50 million; I am, though, put in the position of having to confirm to the House that the loss is going to be substantial. I think it is going to be in the order of about \$25 million.

An hon. Member: What is \$25 million?

Mr. Gillespie: I acknowledge that is one hell of a loss and I am not happy with it.

An hon. Member: What are you doing about it?

Mr. Gillespie: I am a lot happier about the situation now than I was a year ago when I took action to have that contract renegotiated.

Oral Questions

Mr. Lawrence: Maybe the money is to be recovered out of the minister's salary.

An hon. Member: Out of his travelling allowance.

Mr. Lawrence: Mr. Speaker, the minister forgot the first part of the question. We have been nagging at him for over a year. Our understanding is that Mr. Foster, the president of AECL, actually reached an agreement about March of this year. Why the delay in informing the House of this information which the minister has known? Why the delay in signing the agreement? What actual date was the agreement signed?

Mr. Gillespie: Mr. Speaker, the hon. member will recognize that there are many details to be ironed out before a renegotiation as substantial as this one is acceptable. I am not in a position to say to the House that it is final from the point of view of both parties but I believe it will be final within a matter of days if it has not already been signed within a matter of days. That is the kind of time frame we are working with.

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GOVERNMENT ADMINISTRATION

ALLEGATION OF AUDITOR GENERAL OF DIFFICULTY IN
DETECTING FRAUD—GOVERNMENT ACTION

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, my question is for the President of the Treasury Board. In view of the statement made by the Auditor General to the effect that what worries him is that fraud is occurring and there is not much evidence of important ways that it can be detected, could the minister tell the House whether this problem is going to be stalled until the royal commission reports, thereby covering up the deficiency within the report?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, for the 23rd or 24th time I refer the hon. member to the comprehensive report I tabled on Friday which indicates that practically every recommendation of the Auditor General, plus those of the Treasury Board and the Public Accounts Committee, has been or is going to be implemented without waiting for the royal commission. The purpose of the royal commission is quite different. Hon. members would serve this House and the country much better by at least recognizing that.

Mr. Hnatyshyn: A further supplementary question, Mr. Speaker. Would the President of the Treasury Board agree that as a matter of policy when a royal commission is investigating a situation it effectively takes the discussion of that topic out of this House of Commons and out of the public domain?

Mr. Andras: Mr. Speaker, there will be no delay, short of substantial organizational changes, and many other reorganizations will take place. I have been through this two or three times. If the hon. member does not want to listen I do not know what I can do to enlighten him.