

*Oral Questions*

numbered Swiss bank account as an example of this type of ban or prohibition they are seeking?

**Hon. Allan J. MacEachen (Acting Prime Minister):** Mr. Speaker, I have not seen any reference in the declaration which emerged from the summit dealing with this particular point raised by the hon. member. In any event, it was dealt with last December by the President of the Treasury Board in the guidelines.

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[*Translation*]

**REGIONAL ECONOMIC EXPANSION****PROPOSED ADOPTION OF ECONOMIC AGREEMENT WITH QUEBEC—PROGRESS OF NEGOTIATIONS**

**Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine):** Mr. Speaker, my question is directed to the Minister of Regional Economic Expansion.

To prevent residents of the Lower St. Lawrence, Gaspé and Magdalen Islands regions from moving to Ontario or other parts of Canada, could the minister tell the House whether he has recently boxed his Quebec counterpart's ears with a view to speeding up the conclusion of the agreement on economic development in that region, which was about to be concluded on November 15, 1976, that tragic date for the province?

**Hon. Marcel Lessard (Minister of Regional Economic Expansion):** Mr. Speaker, I can tell the hon. member that we had a meeting a few days ago, as he himself is aware, and during this meeting we discussed how important it was to conclude those negotiations. But unfortunately I must tell the hon. member that the Quebec government is persisting in its position that it is better to agree on changes to the existing agreements rather than to enter into a new auxiliary agreement which we had referred to as resource-region and which I continue to prefer by far to what is now being proposed. Of course the final decision will rest with the provincial government, at least with regard to the content of those agreements. I hope we will be able to find a reasonable common ground to satisfy the largest number possible of people concerned.

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[*English*]

**ENERGY****SALE OF CANDU REACTOR TO SOUTH KOREA—CONFLICTING STATEMENTS ON USE OF AGENT—GOVERNMENT POSITION**

**Miss Flora MacDonald (Kingston and the Islands):** Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. An article in yesterday's *Toronto Sun* substantiates an earlier report in the *Toronto Star* that no agent was involved in the sale of a CANDU reactor to South Korea. In view of the fact that four top-ranking officials of Korean

[Mr. Lawrence.]

Electric Company have stated publicly that Shaul Eisenberg was not involved in the sale of the reactor and that AECL was notified by the Korean Electric Company that the sale would be negotiated only if no intermediary agent was appointed while at the same time the Canadian Crown corporation was paying \$15 million in fees and expenses to Mr. Eisenberg, will the minister explain to the House the discrepancy between these two positions, recognizing that the payment of some \$15 million in public moneys is involved?

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** Mr. Speaker, I think the report the hon. member has alluded to is largely false. I would suggest to her that she might like to confer with her colleague the chairman of the public accounts committee. I believe that within the last few days the Secretary of State for External Affairs has conveyed to him a full report on the discussions that took place with respect to the Korean Electric Company officials and their knowledge of Mr. Eisenberg's part in the agency arrangements. If she would confer with him I think she would find it all laid out in the record.

**Miss MacDonald:** Mr. Speaker, I would like to remind the hon. minister that I have been sitting on the public accounts committee for some four months now awaiting vouchers and documentation in support of the \$15 million expenditure but we are not getting it. Is the minister in his response dismissing out of hand the statements attributed to officials of the Korean Electric Company? Will the minister also inform the House of the progress made with regard to the statement by the Prime Minister on March 3 when he said:

Mr. Speaker, we—

Meaning, I presume, the government.

—will try to ascertain whether the quotes were accurate and what exactly was said by the gentlemen, and if there is indeed a contradiction between the two positions, I will see what further action can be taken in order to comply with the lady's concern.

Has the minister found out if the statements were accurate and what action has he taken to try to clear up what is becoming an increasingly suspicious matter?

**Mr. Gillespie:** Mr. Speaker, I have already indicated what action has been taken. The Secretary of State for External Affairs has conveyed a letter to the chairman of the public accounts committee. Perhaps it has not reached his desk yet but I saw it at the end of last week.

**Mr. Lawrence:** You saw it before I did.

**Mr. Gillespie:** It goes into considerable detail.

**Miss MacDonald:** You saw it before Mr. Eisenberg, I bet.

**Mr. Gillespie:** It deals with the questions the hon. member has raised of statements from the officials of the Korean Electric Company. If the report in the *Toronto Sun* indicates that a senior operating officer of the Korean Electric Company was unaware of Mr. Eisenberg's position as agent, it is false.