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Chair: Terry Duguid





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• (1105)

[English]

**The Chair (Hon. Terry Duguid (Winnipeg South, Lib.)):** Good morning, everyone. Welcome back. I wish you all a very good 2026.

Let me first give the warmest of welcomes to MP Shannon Stubbs for being back with us. I know we all missed her, on all sides of the House.

**Shannon Stubbs (Lakeland, CPC):** Don't make me cry.

**The Chair:** There's no crying, unless you make the other guys cry.

**Shannon Stubbs:** I'm okay with that.

You sent lovely words on behalf of the committee, Chair, which is true to your personality and not surprising at all. Thank you.

Am I allowed to say this, John-Paul?

I did ask for his permission, so I might make a video of this at some point. John-Paul sent me the very best possible get-well message that a Liberal MP could send a rural, populist Conservative from Alberta, which had very nice words about how he hopes I'm recovering and doing well, even if I'm a pain in the ass on committee. It was best get-well note I've ever received.

**The Chair:** You're a very constructive pain in the ass. Welcome back. We're really, sincerely very glad to have you with us again.

Folks, we have some new people around the table, so I am just going to introduce them briefly. We have Jean-Luc Plourde, who is with us as our new clerk. He's very experienced. He was on the finance committee. He survived finance, so surely he can survive RNNR.

We have Laura, our amazing analyst. Joining us is Avalon, who will be assisting with analyst duties and helping write our reports. Naaman is just joining us for a few meetings. Welcome, all.

We're going to get right into it. I've already called the meeting to order. I'd like to, as I always do, acknowledge that we are on the unceded territory of the Algonquin Anishinabe nation.

Before we begin, I would like to ask all in-person participants to read the guidelines written on the updated cards on the table. These measures are in place to help prevent audio feedback incidents. We have amazing interpreters, as you know, and we want to protect their health and safety, and the health and safety of all participants.

Today's meeting is taking place in a hybrid format. I would like to remind participants of the following points. Before speaking, please wait until I recognize you. For those participating by video conference.... Do we have anybody by video conference today? We don't, so that is redundant.

Pursuant to Standing Order 108(2) and the motion adopted on Thursday, December 4, 2025, the committee shall resume its study of the management of Canadian Nuclear Laboratories by U.S. companies.

I would like to welcome our witnesses. We have with us, as an individual, Christian Leuprecht, professor at the Royal Military College of Canada and Queen's University. Welcome, sir.

From the Ottawa River Institute, we have Ole Hendrickson, who is the president of the institute.

You will each have five minutes for your opening remarks, after which we will open the floor to questions.

Mr. Hendrickson, we are going to start with you. You have the floor for five minutes.

**Ole Hendrickson (President, Ottawa River Institute):** Thank you, Chair, for this opportunity to appear as a witness.

The government-owned, contractor-operated, or GOCO, model for managing AECL's nuclear assets and asset retirement obligations creates major risks—ballooning tax expenditures, an ever-growing nuclear liability, poor waste disposal projects and public health risks. These risks increase when AECL's responsibilities are contracted to U.S. corporations with little Canadian experience.

In 2015, the former AECL subsidiary, Canadian Nuclear Laboratories, or CNL, was sold to a U.S.-led consortium for one dollar. That was the final act of restructuring AECL. The stated rationale was that private sector rigour and expertise would reduce AECL's nuclear liability and operating costs. But this did not happen. Last year, as total AECL funding went from \$1.59 billion to \$1.95 billion, AECL's asset retirement obligations—that is, the decommissioning liability—went from \$8.7 billion to \$9.5 billion.

Parliamentary e-petition 6636, signed by nearly 2,500 Canadians, noted that AECL's performance under the GOCO model was never audited. It called for an independent, objective and systematic assessment by the Auditor General of Canada, and asked that any new contract be delayed until audit results were made public and discussed by Parliament. This also did not happen.

The NRCan minister, Tim Hodgson, replied that AECL's performance under the GOCO model was part of a special examination conducted by the Auditor General in 2017, with a subsequent special examination slated for 2026-27. The 2017 audit occurred only one year after restructuring, when AECL "had not yet evaluated the contractor's performance with respect to annual earnable awards." The audit found that AECL had no "formal, systematic process for monitoring and reporting on the risks", and that AECL's reporting framework could not measure the overall objectives of restructuring, which were to "enhance efficiency and effectiveness, and to contain and reduce costs and risks for Canadians over time."

Do these weaknesses persist? How were fee awards issued during the previous contract? What are the award provisions in the new contract? Has the committee seen it?

Richard Sexton, an American with ties to members of the previous contracting corporation, was AECL's president during most of the previous contract. He served as fee determination officer. Another American, David Hess, joined AECL as lead contracting officer in April 2015. He is shown today on LinkedIn as managing "the multi-billion dollar cost-reimbursement contracts and agreements governing the contractors' activities" and as holding "unlimited contracting authority".

AECL is building an advanced nuclear materials research centre without a regulatory hearing or other form of government oversight. It would allow training and experimentation in handling plutonium, the key element in nuclear weapons. Benefits to Canadians are questionable, but obvious for American members of Nuclear Laboratory Partners of Canada, all of whom manage U.S. nuclear weapons facilities.

Radiation's health risks make managing nuclear waste far more expensive than for other waste. American contractors have an ever-growing guaranteed revenue stream if AECL's waste remains in storage or is put in an above-ground facility, such as the proposed NSDF, where it would require centuries of institutional control and monitoring. They have no incentive to examine safer, in-ground facilities. By insisting on a permanent facility at AECL's Chalk River Laboratories on the Ottawa River, the American contractors are ignoring the geological and biophysical limitations of that location. Their experience with waste management in arid U.S. environments is not transferable to an earthquake-prone area next to a river that provides drinking water for millions of Canadians.

• (1110)

When American managers arrived in 2015, they discarded existing long-term waste management plans.

**The Chair:** Mr. Hendrickson, I'm going to have to ask you to finish up. You're over time.

**Ole Hendrickson:** The GOCO model has not worked. It has not delivered cost savings. The Government of Canada should manage its own nuclear decommissioning and radioactive waste activities.

**The Chair:** Thank you.

Now it's over to you, Mr. Leuprecht.

[*Translation*]

**Christian Leuprecht (Professor, Royal Military College of Canada and Queen's University, As an Individual):** Mr. Chair and members of the committee, thank you for this invitation. I will speak in English, but you may ask your questions in the official language of your choice.

• (1115)

[*English*]

I just want to say, as a preamble, that I think it's really important that we put partisan politics aside. The report this committee is going to write is incredibly important, because this is about the legislative branch holding the executive to account. The basic principle of the Westminster parliamentary system here, which is ministerial responsibility, has failed us. You've already heard that AECL is not being held to account. It was not held to account by its board, and it was not held to account by the minister.

I will try to explain to you why I think what happened here is absolutely unacceptable and reflects the cognitive dissonance that we have in this town, where we talk about diversifying and protecting Canadian sovereignty, and then we sell the Crown jewels or effectively give the Crown jewels over to Americans to manage in contracts.

The CNL contract that is the subject of this meeting was not competitive. As you heard in previous testimony, there was a single bidder. Awarding a seemingly uncompetitive bid to a U.S. consortium with no actual Canadian participation raises questions about the way the bid itself was structured and the way CNL is structured. That cognitive dissonance, at a time when the government is making a big deal about diversification, raises four concerns: value for money, sovereignty, national security and accountability.

Instead of swapping out management when we went to the GOCO structure, the new structure simply created a new layer of management, so now, instead of one layer of management, there are three layers of management: CNL, AECL, and the contractor, NLPC. That's efficiency the Canadian way.

At the time of the first GOCO contract, in 2015, two of the companies that made up the consortium were Canadian. All companies that are now part of the consortium are U.S.-owned. Nordion and Kinectrics have since been acquired by U.S. entities. Some of these companies are direct competitors to CNL, because Kinectrics and BWX do the same work that CNL bids on.

These companies earn far more from their U.S. operations than they do from the CNL contract. Where do their loyalties lie? Online testimony suggests that CNL contract priorities over the last 10 years were driven by maximizing profitability of the U.S.-led GOCO, not what was best for Canada.

At stake in the new contract are administrative barriers to be put in place by CNL to avoid conflicts of interest and access by contractors to intellectual property held by CNL. Those barriers are largely dependent on cybersecurity and information management. Given that Canada has no cybersecurity legislation for critical infrastructure, contrary to Mr. Dermarck's previous testimony at this committee, my level of confidence in any such barriers—let alone their effectiveness—is very low. By way of example, the first regulations on cybersecurity for nuclear were introduced only in late 2025.

There is also a broader strategic issue with American companies managing the direction of CNL, since the contract effectively reduces CNL to a service provider. The contractor sets priorities and decides who controls IP and whose industrial base benefits from Canadian public investments, basically telling CNL what work to do and what work not to do.

Currently, there is a quasi race to design, construct and build secure supply chains for small nuclear reactors. Ontario is spending \$1 billion on small modular reactors. Moreover, defence applications are part of Canada's SMR action plan. National Defence is looking at a subset of SMRs known as micro modular reactors for use in the Arctic and at some bases.

When the U.S. political executive is keenly interested in the Arctic and threatening to annex Canada, does Canada really want U.S. companies to have access to dual-use IP and proprietary strategic Canadian nuclear information, such as what, when and where Canada might place SMRs in the north? Would that not be detrimental to Canadian national security? The government purports that its intent is to protect Canadian sovereignty, yet it allows foreign actors to set strategic directions at Canada's only national nuclear laboratory.

In awarding the CNL contract, AECL made an economic decision that considers neither national security nor sovereignty. The bid was reviewed only by AECL and its government-appointed board. There appears to have been no external review or accountability for the way AECL awarded the contract, and had the bid not gone through, that would have jeopardized AECL's existence and the jobs of AECL management. The bidding process, in my view, was neither fair nor accountable.

What needs to happen? I have six points.

One, conduct an independent threat and risk assessment of the contract. This assessment should be carried out not by a government agency but by an independent third party that is completely unbiased.

Two, conduct an economic review on whether the labs operated any more efficiently under the previous contract to see if there were real cost savings. By going from one layer of management to three, I would venture to guess that there were no cost savings.

Three, if that turns out to be the case, then fold AECL. Turn CNL back into a Crown corporation, thereby eliminating triple layers of executive management. Hire new management at CNL based on clear metrics of competency, KPIs and accountability. The U.K. tried the GOCO model and has reverted to the previous model. We can learn from our allies.

Four, establish a new accountability structure, different from the GOCO model. To be sure, there were inefficiencies, but as the U.K. shows, a GOCO is not the only solution.

Five, this matter reflects broader, systematic issues with government accountability. Why is NRCan only getting involved now, after AECL was effectively unaccountable for the last 10 years? Who holds AECL to account? The fact that Elizabeth May raised the issue shows a continuity in the executive's disregard for ministerial accountability.

Six, the Canadian Nuclear Safety Commission has the same problem: no accountability.

**The Chair:** Thank you.

I gave you a little extra time there, Mr. Leuprecht.

We will now go on to questions. We're going to start with Mr. Tochor for six minutes.

Go ahead, Mr. Tochor.

**Corey Tochor (Saskatoon—University, CPC):** Thank you, Chair.

Thank you to our witnesses.

Given that this is a contract of over \$1 billion a year, is it even remotely reasonable to foist all the blame on AECL for the single-bidder contract to the all-American firms?

• (1120)

**Ole Hendrickson:** No, AECL is not solely—

**Corey Tochor:** We are going to be limited in time.

Go ahead, Mr. Leuprecht.

**Christian Leuprecht:** I'm sorry; can you reformulate your question?

**Corey Tochor:** Is AECL solely to blame for this? Obviously it's not. This is the line that the government is giving us, that it's all AECL. There has to be some accountability here within government. Would you agree?

**Christian Leuprecht:** I think this is my broader point about ministerial accountability. When we cut out, effectively, all Canadian content and Canadian players from this contract, that to me, especially in the time we live in, is not acceptable.

**Corey Tochor:** Do you think it created red flags with all the climate concerns about our neighbours to the south?

**Christian Leuprecht:** Look, I sit on two boards, one of which I chair.

That this did not raise flags with the board, and especially with the chair of the board, to me is stunning. That it then did not raise flags with the minister's office suggests to me that we didn't pay close attention to what was happening and that we sold a good story and narrative.

**Corey Tochor:** Just playing out on the negative of having this all-American group take over their labs, can you walk us through an example of that going terribly badly? We've heard from other whistle-blowers the concern about American agreements and having to share some of those secrets they may obtain at our nuclear labs.

**Christian Leuprecht:** This is a fascinating question.

In November, we had a round table with about 100 IP lawyers in Quebec. They run a fantastic initiative about how this country effectively gives away free IP, going back to the Avro Arrow. This is what we're observing. Look at the investments we've already made in the F-35 and the investments in, for instance, the German-Norwegian consortium.

The way we structure our IP, whether it's in research or in the way we operate critical infrastructure, is not strategic in terms of making sure it stays in Canada, which is why I'm so concerned that the safeguards that the executive at AECL talks about will not be effective, because I'm not sure they understand how readily they can be circumvented.

**Corey Tochor:** How do you square this circle? We've heard a lot in the media about the defence industrial strategy from the government, and then they go ahead and give control over nuclear ops to an all-American group. Square that for me. How can you possibly square that? How could they?

**Christian Leuprecht:** It is ultimately up to the the duly, legitimately elected government of the day to set priorities.

My concern is that this deal illustrates priorities that are entirely driven by economics.

**Corey Tochor:** Do you think it's a concern that our Prime Minister owns shares in one of these companies? Is that a part of the missing piece on it?

**Christian Leuprecht:** I think it is always problematic when... Conflict of interest, if you look at the definition from the Government of Canada, is not just material conflict of interest, pecuniary, but the perception of a conflict of interest. This clearly creates a perception of a conflict of interest in the eyes of Canadians.

**Corey Tochor:** So, the ownership of shares in that company is the perceived... A remedy would be for him to divest his shares. Would that make this go away, then?

**Christian Leuprecht:** We have commissioners and agents of Parliament who are tasked with ensuring that those divestments are done in a way that is compliant with policy and procedure, so it is not for me to comment. However, I think we need to be much more rigorous in this country in avoiding the perception of conflict of in-

terest. It is great that we can attract talent, such as the current Prime Minister, as members of Parliament, but then that talent also needs to make sure that they avoid any such perception of a conflict of interest, because that will undermine precisely the independence that we expect of our executive.

**Corey Tochor:** You talked about the executives at AECL and Canadian Nuclear Labs. We hear that some of these managers are making over half a million dollars per year. Is that accurate?

**Christian Leuprecht:** I skipped that part, out of respect for the chair of the committee, in order to stick to my five minutes here, but look, a 2025 ATIP shows that nine AECL executives earned \$722,000 per year, including travel. Most were not Canadian. By fiscal 2023-24, AECL's 11 senior executives averaged over half a million dollars each, and 28 senior contractors—of which I believe 27 were American, but I would need to check in the ATIP—earned \$377,275 per year. That is more than the annual salary of the Prime Minister.

• (1125)

**Corey Tochor:** I'm sorry. Let's back this up. I didn't realize that these are Americans. Americans at AECL are making... Who's paying for them, then?

**Christian Leuprecht:** The ATIP is linked to my opening statement, so you'll be able to refer to the ATIP for the details.

**Corey Tochor:** Okay.

**The Chair:** Mr. Tochor, you have 10 seconds.

**Corey Tochor:** Just to summarize, is this good value for money right now, these large salaries that are going to Americans?

**Christian Leuprecht:** Without an independent assessment by a third party, we will never be able to tell.

**Corey Tochor:** Thank you.

**The Chair:** Thank you both.

We're going to move on to Mr. Hogan for six minutes.

**Corey Hogan (Calgary Confederation, Lib.):** Thank you very much.

Thank you both for being here. I really appreciate your comments.

I have two lines of questioning. I'm going to throw them both on the table, and then I'm just going to jump into them.

The first is the overall GOCO model, which you were talking about. It was brought in by the Harper government, and it seemed, when we were discussing it last time, to be a pretty reasonable way to get American expertise. It was described to us that one of the goals was to access American expertise and make sure that we were able to benefit from it as Canadians.

I want to explore that, but I also want to throw on the table that, in terms of the security risk, it does feel like we'll need to reconcile, as a committee and as a government, how we feel about the United States in this matter. It's personally hard for me to imagine that the United States would not know details about modular reactors in the north under our current security regime. It seems actually impossible to me. I'm not passing moral judgment on whether that's good or bad, but that's something, certainly, that needs to be reconciled as we think about the overall trajectory of this country and the way security relationships are evolving.

I guess my question for you, Mr. Leuprecht, is this: What is your sense of the testimony we heard about the GOCO model being used to access private expertise—the original policy intent of the Harper government? How much does it align with that intent, and has it provided some value in that sense? If you want, you can just expand on your comments in that space.

**Christian Leuprecht:** All I'm suggesting is that when we have a single bidder, one that is entirely American, that is not an opportunity for either AECL, the board or the minister to assess the best opportunities that are out there for Canada to maximize its interests in the current environment. I would urge the committee to look at the way that bid was structured. Having only a single bidder with no real Canadian content should have been a red flag in terms of competitiveness. We have a lot of expertise in allied and partner countries. Look at Japan; look at several European countries. Also, of course, as part of the previous consortium, we had Canadian content in AtkinsRéalis. There might be an interesting question about why that was not part of it.

I would also say that, yes, the U.S. would already have access to those SMR details. If you look at the scientific advisory board, which cost taxpayers \$184,000 in 2022, I believe—it's linked in my remarks—for five individuals.... First, I mean, I work at a university. There is no advisory board that I know of at a Canadian university that costs \$185,000 per year for, I believe, five individuals. I think there are some interesting questions.

Second, one of the members of that advisory board has close ties to the U.S. security and intelligence establishment. If we want to give away all of our intellectual property and make sure that the Americans know everything we're doing, then we might as well put the security and intelligence establishment right on our scientific advisory board.

**Corey Hogan:** We'll get back to that, because I do want to talk about the security conversations.

You said in your comments that CNL decides who controls IP. Can you expand on what you meant by that?

**Christian Leuprecht:** I think the IP conversation is a longer conversation, and I'm happy to refer you to some excellent material on this. Senator Deacon was also involved in that conversation. He might have some interesting things to say to this committee on that.

In this country, we are demonstrably not very good in the way we write our IP contracts. As a result, we are effectively giving away free IP and our research and development to the United States and to Japan—

• (1130)

**Corey Hogan:** For sure.

**Christian Leuprecht:** —and, of course, we're having it stolen by China.

**Corey Hogan:** That is a topic: We need to strengthen IP.

In this specific case, when you said CNL decides who controls IP, I'm just trying to understand exactly what was meant by that.

**Christian Leuprecht:** There's strategic direction in terms of what IP you're going to develop. Then there's the question about how you are going to protect that IP—how you are going to protect the knowledge component of the IP and how you are going to protect that IP being used by allies and by partners.

**Corey Hogan:** Right.

Again, I'm sorry, and I'm not trying to badger this point, but my understanding was that under the AECL contracts, the IP was maintained and controlled by Canadians.

If we're going to dig into this, I need to understand specifically what was meant by CNL controlling IP.

**Christian Leuprecht:** I think CNL and AECL should be testifying to the details of that.

As I pointed out, I can only conjecture. From what I know about cybersecurity.... As a co-director of the cybersecurity program at RMC, which trains some of our highest-skilled operators in this country, I have some confidence and some understanding of cybersecurity and cybersecurity regulations, and those are nowhere near stringent enough. In information management, we simply do not have the regulations, the legislation and the rigour in place generally for our critical infrastructure, from which I infer that we are not imposing sufficient conditions on this contract, and that we cannot take the AECL executive at their word when they say, "Don't worry; there's nothing to see here."

**Corey Hogan:** This would be more about the risk of theft than about policy control.

**Christian Leuprecht:** No. It is the risk of inadvertence in the way we write our contracts. Because we are not rigorous in the way we write our contracts, our allies and partners are benefiting from the IP that the Canadian taxpayers invest in. We are effectively giving it away for free, because we are so not careful about how we write that.

Then there's the broader risk of it leaking out beyond the rigorous controls that we would need to put in place in a safe—

**The Chair:** Thank you, both.

We are now going to move on to Mr. Simard.

[Translation]

You have six minutes.

**Mario Simard (Jonquière, BQ):** Thank you, Mr. Chair.

Gentlemen, I must say that your opening remarks are very concerning. Beyond the fact that we often embarrass the government here, I think we need to move on and act responsibly in a situation that I consider dangerous for three reasons.

In the statements you've made, I see a considerable loss of accountability for the government, which will become responsible for managing nuclear waste. I also see a loss of sovereignty, even though my colleagues indicated that the secrets surrounding small modular reactors may already be known. There is still one troubling aspect, which is that there is a leak of expertise that we should have in the nuclear field. Above all, I see a loss of autonomy in the future if we no longer have the capacity to manage our nuclear waste and to intervene regarding various factors related to modular reactors. We're not very far along.

I would therefore ask you to tell the committee what the government should do in the very short term in relation to this. A report will be written. None of us is a nuclear expert. We're all neophytes, I think. What should the committee do in the very short term to resolve this situation?

**Christian Leuprecht:** First, let's talk about economic logic.

We know that CANDU technology has never been welcome in the United States, and since the consortium makes more money from its American units than from the Canadian unit, it could be inferred that there is no international interest in promoting CANDU technology. From a competitiveness standpoint, there is an incentive to sideline Canadian nuclear intellectual property and to give an advantage in the global nuclear market to American technology over Canadian technology. It's just economic logic.

**Mario Simard:** Thank you.

What I understand from what you're saying is that promoting CANDU technology would be in the hands of that company. They would be the ones with the expertise to do that.

Did I understand you correctly?

• (1135)

**Christian Leuprecht:** This is part of the essential chain of expertise because there is only one national nuclear laboratory in Canada, which is managed by a consortium that now intends to focus entirely to the American side.

**Mario Simard:** Thank you.

Mr. Hendrickson, you can answer as well.

[English]

**Ole Hendrickson:** If I could speak about the decommissioning and waste management briefly, that is the bulk of the money that AECL is receiving in annual appropriations and what is being given to CNL. It's about two-thirds of our annual appropriations. Are we getting access to private sector expertise in that area? There's possibly some, but I think that, after 10 years, that is well established in CNL.

I recall Mr. Leuprecht saying, why not return CNL to a Crown corporation? I think that's a very strong point. We no longer need that private sector expertise. It should be fully incorporated. There have been 100 buildings at Chalk River Laboratories that have been

decommissioned now, so there's lots of expertise in the staff who have done that. We can just let the Americans go.

In terms of what the committee can do, there is a special examination by the Auditor General coming up in 2026-27. The committee should make some instructions to the Auditor General to have a really close look at how well this GOCO has worked.

[Translation]

**Christian Leuprecht:** It's a matter of international competitiveness.

Why is it treated like the little sister next to the big brother? We should have some confidence in our capabilities, our sovereignty, Canadian knowledge and the competitiveness of Canadian knowledge.

**Mario Simard:** I agree with you, especially since I think what we're experiencing right now may be a collective realization of the naiveté we had towards the United States until very recently.

In the context of the tariff crisis and what we're seeing in our relations with the Americans, I wonder if there is another case in which a country has relinquished part of its sovereignty over nuclear issues to a private foreign company. I'm wondering if that exists anywhere else. I know that France has a lot of nuclear power, and I know that there is nuclear power all over Europe.

Are there any countries that give up a portion of their sovereignty in order to allow other states or foreign countries to manage nuclear waste and nuclear-related matters?

[English]

**Christian Leuprecht:** As I always say in English, the Americans are our best friends, whether we like it or not.

[Translation]

A more pragmatic approach would mean being more systematic in areas where the United States is an indispensable ally and in areas where there is competition. We want to safeguard certain Canadian national interests. Canada is, after all, a founding member of the G7, and it must conduct itself on the international stage as the middle power the Prime Minister refers to.

[English]

**The Chair:** Thank you.

Colleagues, we're going to go on to our second round of questioning. We're going to start with Mrs. Gallant for five minutes.

**Cheryl Gallant (Algonquin—Renfrew—Pembroke, CPC):** Thank you, Mr. Chair.

Welcome to Ole. It's always wonderful to see somebody from the valley. Thank you for your decades of paying attention to our environment in the valley.

My questions will be for Dr. Leuprecht. Here is the first one.

In your opinion, was the statement of requirements stacked for this consortium to win the contract?

**Christian Leuprecht:** From what I understand, this was the standard two-part process where there is a pre-qualifying and then there's an actual bid submission. There were several entities interested, but as we know, we only received one bid. At that point, we had an option. We could have gone back and rewritten the requirements to ensure that we got more bids, or we could just go with that one bid, because everything else would have had higher transaction costs and higher friction. We made a choice.

**Cheryl Gallant:** Thank you for answering my question.

If the Americans will essentially be managing CNL, what is the risk of Canadian engineers and scientists getting replaced by Americans?

**Christian Leuprecht:** Look at the executive. It's already happening, Ms. Gallant.

• (1140)

**Cheryl Gallant:** I mean the workers on the ground, in the lab.

**Christian Leuprecht:** Yes, we continue to nurture Canadian talent because that's, I think, what CNL does, and it does it well. However, I have a cautionary story to tell on that. It's not entirely analogous, but of course Nortel, in its day, had the largest number of engineers in the private sector in this country. It had world-leading intellectual property that was in global demand, and we, effectively, let China steal it for free, as you know. It's all on the public record.

If we continue on this trajectory, we at least need to have assurance, through accountability and third party review, that this contract provides us, in terms of Canadian know-how and personnel, the value that taxpayers are looking for, in terms of not just money but national interest.

**Cheryl Gallant:** The U.S. ambassador said that if Canada doesn't keep its word on the purchase of the F-35s, then NORAD's relationship would change. You mentioned that the Arctic installations.... The micro reactors will be impacted by having a U.S.-dominated, U.S.-run CNL. There are Canadian companies that have micro reactor submissions. Do you think the Americans will get preference over Canadians because of that relationship?

**Ole Hendrickson:** Right now, Cheryl, the Global First Power micro modular reactor project at Chalk River has been stalled. The company—which was formerly under Ontario Power Generation and Ultra Safe Nuclear—has been transferred to another American company, NANO Nuclear, and that project isn't going forward. We're not seeing much progress on micro modular reactors.

**Cheryl Gallant:** Well, I do know there is a Canadian company, CSMC—formerly the Canadian Space Mining Corporation—that seems to have the technology for one. Its founder and CEO is a Canadian, Daniel Sax. That's why I'm asking if that's at risk. For the Arctic installations, you'd think that would be the case.

How can we be assured that we will not have our technology and, by extension, Canadian jobs and the income for CNL, compromised? Is there anything in place, that you can see, to ensure that our workers there, on the ground in Chalk River, will be able to maintain their jobs and will not be replaced by American workers?

**Ole Hendrickson:** There is no risk to employment at Chalk River. That is secure, for generation after generation, because of the decommissioning and waste management responsibilities. That's where Canadian expertise is also extremely important. As I mentioned, radioactive waste is very different from other kinds of waste. For example, Toronto spends half a billion dollars on its waste, but we're spending much more than that. That's annual, and we're spending.... It's just not comparable.

We need those workers in the valley, and they will be there for many generations.

**Cheryl Gallant:** Okay. Thank you.

**The Chair:** That's time, Mrs. Gallant. Thank you.

Mr. Danko, you have five minutes.

**John-Paul Danko (Hamilton West—Ancaster—Dundas, Lib.):** Thank you, Chair.

I appreciate the witnesses being here.

This is something that, I think, is very important for our government in the current context. The Prime Minister has been very clear that it is in our national security interest to divest from interests in the United States. That is the trajectory that our government is certainly on, bringing in new trade alliances around the world.

My first question is for Mr. Hendrickson.

I appreciate your attention to the need for long-term solutions, from radioactive waste to environmental considerations, and first nations as well. I'm just wondering, in your experience and opinion, what are some of the best practices around the world that Canada can look to and learn from?

**Ole Hendrickson:** One really important thing is to develop a long-term waste management facility for low- and intermediate-level waste. The Nuclear Waste Management Organization has said that they are going to start a process, but they are not a government agency. They are run by private companies. This is where I think the Government of Canada really needs to step in and take control of that. That is the bulk of the waste. I know that everyone focuses on the spent fuel rods, but the low- and intermediate-level waste, much of which is at AECL facilities, has to be a priority. Other countries have successfully demonstrated various ways of dealing with that.

• (1145)

**John-Paul Danko:** Thank you.

I'm in Hamilton, and we have—I don't know what you would call it—a micro reactor that's been in operation since 1956. It has been a critical part of Hamilton's economic infrastructure for the development of radioactive isotopes for medical technology, cancer treatment and that kind of thing.

In terms of Canada's strategy for dealing with radioactive waste, how does that tie in to the growing industry for medical radioactive isotopes?

The question is for either of you.

**Ole Hendrickson:** This is almost a repeat of my answer to the previous question. A lot of medical isotopes have to be short-lived, because you can't inject something into someone's body that's going to be there for a long time, so they decay quickly. Things like molybdenum-99 and cobalt-60 are used widely internationally, but they remain fairly radioactive even after their use for, say, killing cancer cells has ended, because they decay over time. Again, you need a strategy to manage those when they're returned to Kanata and Nordion or wherever.

**Christian Leuprecht:** My daughter is soon to be an engineering grad from McMaster.

**John-Paul Danko:** Oh, really?

**Christian Leuprecht:** What a fantastic university it is, and what a terrific asset the reactor is to the university.

The point that you raise is, of course, a question about strategic sovereign assets. We know what happens when we have isotope shortages. I'm not inherently against the contract that was issued. The problem is the transparency and accountability of that contract and whether it provides us exactly the sort of answers to the questions you are looking for.

We also need to think about the counterfactual if we lose certain capacities in nuclear. Think about what happened in Germany when it voluntarily decided to get out of nuclear and what that did to the cost of living, productivity, innovation and prosperity in Germany, and the amount of regret there is today.

We need to be very clear that, whether deliberately or inadvertently, we may be giving up critical sovereign capacities that we'll regret having given up some years down the road and that will be very difficult or impossible to get back.

**John-Paul Danko:** Thank you.

I think I'm probably close to time.

**The Chair:** You have 30 seconds.

**John-Paul Danko:** If I can summarize, both of you are advocating for bringing the maintenance and operations in-house, to be run publicly. Am I hearing that correctly?

**Christian Leuprecht:** It's impossible to tell if we don't actually have a third party assessment of the costs and benefits of doing so: economically, security-wise and in terms of sovereignty. That's why I encourage a third party, outside assessment.

**The Chair:** Thank you, both.

Mr. Simard, you have two and a half minutes.

[*Translation*]

**Mario Simard:** Thank you.

I would like to check something with you in order to understand the situation. When this kind of contract is awarded, it's not like giving a subcontractor a contract to manage a building. You can't

simply change your mind after three years, say that the company isn't meeting expectations and decide to find another subcontractor.

Do you think Canada will be tied to this American company for a very long time, or is it possible to find an alternative here in Canada?

[*English*]

**Ole Hendrickson:** I don't know the contract provisions. I know it's not a full 20-year contract, but I think we need to look closely at when we can get out of this contract, and how. I'm convinced that, yes, Canadians could do the job.

[*Translation*]

**Christian Leuprecht:** Either the contract is extended, or a decision is made to terminate it. It will cost money if the government decides to end the contract, but ultimately, governments spend money on all kinds of things. If there is a strategic reason, a sovereignty-related reason or a security reason, and the government decides to terminate the contract, there will be costs and benefits to assess at that point. Will the contract be terminated immediately? Will the government allow the contract to run its course and then try to find another solution? The committee should take all of that into consideration.

• (1150)

**Mario Simard:** Is it possible to look at this in a more segmented way? Are there elements that absolutely should not end up in the hands of foreign companies? I don't know whether this would concern waste management, something else, or small nuclear reactors. Should the government not have divided up, within the contract, the elements that, from a strategic standpoint, must remain in Canada? Should it not have considered—

**Christian Leuprecht:** Mr. Simard, I'm not very familiar with how these contracts are structured around the world, but I do know a bit about how it works in France. It would be unimaginable for France to sign a contract that would leave the management of its intellectual property and its national nuclear lab in the hands of American companies.

**Mario Simard:** Thank you.

[*English*]

**The Chair:** That's it for you, Monsieur Simard.

We're going to Mr. Martel and Mr. Guay, each for five minutes, and that will wrap up this panel.

[*Translation*]

Mr. Martel, you have five minutes.

**Richard Martel (Chicoutimi)—Le Fjord, CPC:** Thank you very much, Mr. Chair.

Canada is a bilingual country, and the website of Canada's partner nuclear laboratory is accessible in English only. Why is it not in French? I'm curious.

**Christian Leuprecht:** Mr. Martel, they are so devoted to the country's culture and bilingualism that their website is in English only. That really shows you where their priorities are and how much respect they have for this country.

There's a nuclear reactor at the École Polytechnique. Are we going to expect all students and professors at the Polytechnique to hold their conversations with the consortium in English just because they don't want to respect this country's bilingualism? If you look at who the consortium's leaders are, you'll see how many of them are bilingual. Again, there's an issue of Canadian content—something we want to protect and promote.

If we're talking about diversification, then we need to respect diversity in Canada.

**Richard Martel:** Thank you. That's interesting. I thought the Bloc Québécois member was going to ask that question. I'm glad I did.

There are some things I have trouble understanding, and that's why it's useful to be here. Canada has comprehensive and globally recognized nuclear expertise that covers the entire value chain. It developed the CANDU technology and has unique expertise in operating and extending the life of nuclear power plants. Canada is also a leader in small modular reactors.

You say that no Canadian company submitted a bid or got involved in this.

**Christian Leuprecht:** Based on the information that's publicly available, there was some interest during the first phase, but at the end of the day, as we all know, only one consortium responded to the call for proposals. To me, that raises questions about how the bid was structured from the beginning. Maybe more could have been done to ensure Canadian content, Canadian interest. At the very least, we need to show that everything possible was done to secure Canadian content and that, ultimately, this was the only feasible solution under those circumstances.

Right now, there is no transparent and public way to verify that conclusion.

**Richard Martel:** Do you think we need expertise from outside Canada? We do business with the Americans. Why would we need other countries? I mentioned the expertise we have. This is serious right now. We don't trust ourselves.

**Christian Leuprecht:** There are nuclear laboratories in a number of allied and partner countries that are roughly comparable, but perhaps not identical, to what is done in Canada. I'm told that the only people in the world who are qualified to manage such a lab are Americans. That's a bit surprising, sir.

**Richard Martel:** I would say that we are not rigorous when drafting contracts. I know you don't have all the details, but what, in your opinion, would make us more rigorous when drafting contracts? What would you include in these contracts?

**Christian Leuprecht:** We're in a situation where almost all federal departments are making very painful and very difficult cuts. Thousands of public servants are losing their jobs. The government has an obligation to demonstrate that this contract will provide the best value for its investment in this country's critical infrastructure. The information that's publicly available doesn't convince me that this is indeed the case. The government has an obligation to convince Canadians that, in the current situation, with the deficit that exists, this is indeed the best solution for Canada.

• (1155)

**Richard Martel:** How much time do I have left?

[English]

**The Chair:** That's your time, Monsieur Martel. Thank you very much.

We will wrap up this round with Mr. Guay.

You have five minutes.

[Translation]

**Claude Guay (LaSalle—Émard—Verdun, Lib.):** Thank you, Mr. Chair.

I'm Canadian, and I've worked with other Canadians for a large American multinational. We were doing business in Canada, and my colleagues all had a Canadian passport. They were very nationalistic. In this particular case, had you listened to the Atomic Energy of Canada Limited representatives' testimony during our last meeting, you'd know that most of those who work for the consortium are Canadians.

We talked earlier about a series of measures around intellectual property. You suggested an audit might be necessary to ensure the measures are being followed. For starters, I'm convinced Canadians working for the consortium will act like Canadians. You seem to imply that, because Canadians work for a company headquartered in the U.S.—even though they work for a Canadian-incorporated business—they might not respect the rules and send everything to the U.S. That's what I don't understand. As a professor, I think you have a very good understanding of how multinationals are structured. Why do you fear Canadians working for Canadian-incorporated businesses are constantly sending material or could send material to the U.S. headquarters in....

By the way, we're talking about waste management and decommissioning, no nuclear football or nuclear war. This is about civilian application. I'd like to know where you think the flaws are. What issues should I be more worried about?

Let's also be clear as to what an audit would focus on. When it comes to the government-owned, contractor-operated model, or GOCO—and I'd also like to hear your thoughts on that—it's often easier to make changes based on what we find out than going back and establishing crown corporations. I'd like to hear my Conservative friends argue that we should go back to crown corporations, when it's the Harper government that adopted the GOCO model, and that we're trying to save Canadians money.

Would you have an answer for me, Mr. Leuprecht?

**Christian Leuprecht:** It's common for a government to evaluate a multiyear contract to see whether it has delivered the expected economic, national, security, knowledge and intellectual property results. Where is the GOCO model evaluation on the expected results? It's up to the government to determine what the expected results were at the time and what results it's looking for now.

There are two things that worry me. On the one hand, I'm worried about data protection, meaning cybersecurity and the need to ensure digital protection. As I was saying, the first cybersecurity regulations for nuclear were only introduced at the end of last year. We're really lagging behind when it comes to protection, cybersecurity and cybersecurity legislation.

On the other hand—

• (1200)

**Claude Guay:** Hold on a second. I want to go back to cybersecurity.

Are you saying this is a larger cybersecurity issue that affects the entire Canadian industry, not just the consortium and the contract we're talking about here?

**Christian Leuprecht:** There is a significant lag in legislation and regulations for all critical infrastructure, not just nuclear infrastructure. You're absolutely right. That's one thing that worries me.

The other worry I have is about information management, specifically information related to intellectual property. Some of you know that I also work in research security, not only physical and digital security, but also contract security.

As I said, leading intellectual property lawyers in Canada are raising all kinds of concerns. There are real issues with the way contracts are written. Maybe the consortium really has an up-to-date contract at the head of the queue. However, we can't rely solely on what the CEO says. We need to confirm that.

[*English*]

**The Chair:** Thank you to both of our witnesses for that very stimulating round of dialogue and questions. It was respectful as well, which we like to see at this committee. Thank you very much on behalf of the committee.

Colleagues, we're going to take a five-minute break. We'll be back here at about 12:05 for our next panel.

• (1200)

(Pause)

• (1205)

• (1210)

**The Chair:** Welcome back, everyone. We're going to resume the meeting with our second panel.

Welcome to our witnesses. We have with us, as an individual, Mr. Stephen Aplin. Welcome, Stephen.

From the Canadian Nuclear Laboratories, we have Eric McGoey, vice-president, corporate affairs.

I think you may have both been in the room when you heard the rules of the road here. Please address your remarks through the

chair. You may have noticed I'm a little loose on the rules from time to time, just to encourage good dialogue between our members and yourselves.

**Shannon Stubbs:** He puts up with a lot.

**The Chair:** Again, we always try to remain respectful and on point here.

You're each going to have five minutes for your opening remarks, after which we will open the floor to questions.

Mr. Aplin, we're going to start with you. You have the floor for five minutes.

**Stephen Aplin (As an Individual):** Thank you, Mr. Chair and members, for having me as a witness. This is a very consequential parliamentary hearing, possibly the most consequential one that Canada is facing right now, about Chalk River and its coming under American management.

When I say “Chalk River”, I mean CNL. Those are interchangeable terms. Chalk River is the centrepiece of Canada's nuclear history. It's where we became a tier-one nuclear nation. All of the fundamental research we did that put us on that map was done at Chalk River: cobalt-60, the cancer-fighting radioisotope, and molybdenum-99. Of course, there is the CANDU reactor, which I think it's no exaggeration to say is the most consequential invention in Canada's history. It's powering this room as we speak.

A lot of people don't know that when all of this marvellous research was being done in the early days of Chalk River, the Americans—our one-time friend and ally—told us to hold out our hands, and they were going to put handcuffs on us. We held out our hands, and they slapped the handcuffs on. What am I talking about? They did not want us to enrich uranium in the early days, or any time thereafter. They said if we were going to use enriched uranium, which is a fundamental material in nuclear research, they would provide it for us: no enriched uranium for Canada. We could not do that on our own soil, and we agreed to it.

Why did we agree to it? We went along with it “to get along”, as per Prime Minister Carney's remarks last week in Davos. They did not want us to enrich uranium, they said, because of some proliferation reason. I think that's bogus. That was a smokescreen for a commercial purpose. They did not want us competing against them in the developing power reactor market, so we went along. They were worried that we would be a good competitor, and they were right. As the CANDU proved, we could run circles around them if it were a level playing field, but it wasn't a level playing field. We were not allowed to enrich our own uranium, and we still won this game—until we got cut off when the country that told us not to enrich uranium because they'd provide us with it cut us off from enriched uranium. That was in 2016, under Barack Obama. Canada and Chalk River, at that point, stopped doing major nuclear research. We went along “to get along”, as Mark Carney said, and this ended up biting us, because, as I said, we ended up getting cut off.

Now, who ran Chalk River during this time of wonderful innovation that brought us the radioisotopes and the CANDU reactor? It was a small federal Crown corporation called Atomic Energy Canada Limited. It was spun out of the National Research Council. Its president, Fred Dermar, appeared before this very committee at the end of last year. In his remarks to the committee, Fred Dermar emphasized—and I agree with him—that Canada is “a tier-one nuclear country.” We are a tier-one nuclear country.

I would ask this question. If we're a tier-one nuclear country, why do we need another country managing our flagship nuclear lab?

We have a major amount of nuclear research to do that we need enriched uranium for, and that's because we have a major geopolitical problem in our Arctic. Essentially, we cannot defend our Arctic. That wasn't a big problem under the previous rules-based international order, but that order is gone. The United States, its inventor, has ruptured that world order.

In order to protect our Arctic, Canada needs nuclear-powered devices. We don't have those devices now. We would need to develop them, and we would develop them at Chalk River. We're handing Americans control of the very facility that we would need to conduct the fundamental research into protecting our Arctic. We're handing the keys of our nuclear kingdom over to representatives of that country. This is not *Alice in Wonderland*. This is actual, real life. We're handing control over our nuclear kingdom to representatives of that country. Essentially, we're going to pay them with public money to keep their eye on us.

The American executives in charge at NLPC, the company that's going to manage this, are all queue-cleared in the United States. They all have top-level clearance. Essentially, they're members of the U.S. intelligence community. They work for a person with whom Canada, the United Kingdom, Australia and New Zealand don't want to share intelligence because she is a pro-Putin stooge. She works for a president who is a pro-Putin stooge, if you've been following the horrific news out of Ukraine over the last year.

Ladies and gentlemen of the committee, when we conducted our nuclear research with the handcuffs on over those eight decades, what did we get in return? We got “the 51st state”, we got “Governor Trudeau”, we got “Governor Carney”, and we got a trade war

by this guy who's mad because Canadians wouldn't stay in his crappy hotel in Vancouver.

• (1215)

We should not be turning over control of our nuclear flagship, of our nuclear kingdom, to representatives of that country.

**The Chair:** Thank you very much.

We are now going to Mr. McGoe.

You have five minutes.

**Eric McGoe (Vice-President, Corporate Affairs, Canadian Nuclear Laboratories):** Thank you, Mr. Chair and members of the committee.

[*Translation*]

My name is Eric McGoe, and I am vice-president of corporate affairs at Canadian Nuclear Laboratories.

Born and raised in northwestern Ontario, I have over twenty years of experience working at the intersection of government, energy and communities. I spent more than a decade in government and another decade in the energy sector, including at Ontario Power Generation and the Ontario Ministry of Energy and Mines.

In recent years, my work has focused on indigenous and public engagement for clean energy projects, including supporting new nuclear projects and relationship agreements with indigenous communities, as well as intergovernmental collaboration on small modular reactor development across Ontario, Saskatchewan, Alberta and New Brunswick.

[*English*]

As vice-president of public affairs, I'm responsible for communications and engagement with employees, host communities, stakeholders and elected officials, and I support transparency within the framework established by Atomic Energy of Canada Limited and the Government of Canada.

Allow me now to expand on the relationship between CNL and Atomic Energy of Canada Limited.

CNL operates Canada's nuclear laboratories on behalf of Atomic Energy of Canada Limited under a government-owned, contractor-operated contract, often referred to as GOCO. AECL owns the sites, the assets, the liabilities and the intellectual property. It also sets CNL's mandate and remains accountable to the Government of Canada and to Parliament.

CNL's role is to deliver that mandate safely, securely and effectively in full compliance with Canadian law, Canadian regulators and AECL's requirements.

Our three priorities at Canadian Nuclear Laboratories are to restore and protect the environment, to advance clean energy for today and tomorrow, and to contribute to the health of Canadians.

I look forward to answering your questions.

**The Chair:** Thank you, Mr. McGoey.

We will go on to questions. Our first speaker is Mr. Tochor, for six minutes.

Mr. Tochor.

**Corey Tochor:** Thank you very much, Chair, and thank you to our witnesses.

Mr. Aplin, where do the paycheques for the NLPC staff come from?

**Stephen Aplin:** They come from the Canadian taxpayers.

**Corey Tochor:** Which company do they come through?

**Stephen Aplin:** They come through AECL.

**Corey Tochor:** Please explain about the staff who are part of the consortium that's taking over. Regarding CFR 810 and the full legal obligations of U.S. citizens in the NLPC, what do you know of that agreement they have to sign?

• (1220)

**Stephen Aplin:** I think they're obliged to turn over what they know to their American employers and to the American government—to DOE. That is my basic knowledge of it. It doesn't go much beyond that.

**Corey Tochor:** The contract they have to sign is that they have to share with the U.S. government—

**Stephen Aplin:** They're obliged to, yes. That's correct.

**Corey Tochor:** That's under their law, under American law.

**Stephen Aplin:** That's correct.

**Corey Tochor:** People working at Chalk River will have to do that.

Then, if Donald Trump orders U.S. citizens not to help Canadians develop nuclear technology, will the American executives and the American group comply and prevent CNL from doing the research, or will they disobey Donald Trump and their obligations? Which one would they do?

**Stephen Aplin:** That's a rhetorical question. Obviously, he doesn't need this act that you're talking about in order to compel somebody to be loyal to him, just from what we're seeing. If he wants them to not co-operate with us, they will not co-operate with us.

**Corey Tochor:** There's no way of writing into the contract any outs or loopholes that would protect us?

**Stephen Aplin:** We could write it in. Does he follow the law? He sends ICE people to Minneapolis.

**Corey Tochor:** Even though this contract.... We haven't seen it. How this committee came together is that, for once.... The government has been stalling. I'm very grateful that you and our other witnesses are here today. We've had other witnesses who wanted to

testify but seemingly were scared to attend. I appreciate your being here.

Can you unpack what it would be like to be one of these executives of an American company working at Chalk River? Would they be divided in their loyalties?

**Stephen Aplin:** I'm not sure the Americans would be. Perhaps they're divided in their loyalties. We don't know whether they support the President or not. As I said, it would be a fairly straightforward situation if anybody in the political realm prevailed upon them to do something that is against Canada's interests. I think they would comply with that request, either against their will or not, but I can't tell whether or not it's against their will.

I know that Congress has a role in a lot of the things the President is doing, and Congress is not taking any action whatsoever. It's a moot point. If especially this U.S. President wants something out of those executives that is contrary to Canada's interests, even contrary to the letter of whatever contract they signed, he'll get it.

**Corey Tochor:** How is that Canadian? We've been hearing the news that it's elbows up, and we're all rallied around the flag. Then we sign on to a multi-year billion-dollar contract and claim to be buying Canadian, but we're actually buying American here. We're selling out to Americans.

**Stephen Aplin:** That's precisely what we're doing. It's January 2026. With all that has happened in this situation that has developed south of the border, particularly since January 2025, I'm amazed we are blithely walking down this path.

My point during my talk was that we shouldn't have complied with those requests, going back to the 1950s. That was under sane American presidents, the sane American presidents from Eisenhower up to Barack Obama. We shouldn't have done it then. We could have pushed back and should have pushed back. We didn't. I'm not going to cry over spilled milk.

Certainly, under this President, we should not be—

**Corey Tochor:** Something stinks here.

**Stephen Aplin:** Yes.

**Corey Tochor:** We know the current Prime Minister of Canada, Mark Carney, has shares in one of the companies leading this bid, which is another question I have.

Switching gears to our other witness, do you think it's a good idea at this time to let U.S. citizens obligated by the CFR 810 manage nuclear defence-related research in Canada, Mr. McGoey?

**Eric McGoey:** I'm not an expert on the CFR 810. I'm a Canadian citizen. I'm not subject to any of those requirements. I certainly concede that there's a mixture of people on the executive team from various countries. We have U.K. citizens, we have a significant number of Canadian citizens and, yes, we have Americans. All of those—

• (1225)

**Corey Tochor:** Are any of those countries threatening to take over Canada?

**Eric McGoey:** Pardon me?

**Corey Tochor:** Are any of those countries threatening to take over Canada? That's where the rubber meets the road. This doesn't match up with the rhetoric—not yours, sir, but the government's—and the actions on this.

**Eric McGoey:** Under the terms of the contract, all of us on the executive team have a primary loyalty to Canadian Nuclear Laboratories, period. We then have a secondary loyalty and accountability to—

**Corey Tochor:** Sir, you can't—

**Eric McGoey:** —Atomic Energy of Canada Limited. In addition, anyone who is an officer of the corporation on the executive team has a fiduciary duty to put the interests of Canadian Nuclear Laboratories first.

**Corey Tochor:** Not by selling this out—

**Eric McGoey:** If they cannot do that, then they should resign.

**Corey Tochor:** Yes, but we're not seeing the—

**The Chair:** To you both, we are at time for your intervention, Mr. Tochor.

We're going to go on to Mr. Guay for six minutes.

**Claude Guay:** Thank you, Mr. Chair.

Mr. McGoey, it's very interesting to watch this discussion here between the conspiracy theorist and the independent adviser. You actually work for the corporation. Did you sign any paper that you actually would be bound to turn anything over to the Americans?

**Eric McGoey:** I did not.

**Claude Guay:** Did any of your colleagues, to your knowledge?

**Eric McGoey:** No.

**Claude Guay:** Can you talk to us about what you're doing as a team for Canada?

**Eric McGoey:** Absolutely.

It was interesting that Mr. Aplin said that he's comfortable using “Chalk River” and “Canadian Nuclear Laboratories” interchangeably. That's a fair point in terms of the future of the organization. If we're looking at 20 years from now, it's very likely that the only site that will continue to be operated by Canadian Nuclear Laboratories is the site at Chalk River. It has a science and technology mission that is going forward for many decades.

At the rest of the sites, the mission is, as Mr. Hendrickson said in the previous testimony, decommissioning and waste management. That is to say, we have legacy waste associated with the development of Canada's nuclear sector, of which we're all rightfully proud, and we must clean up those demonstration reactors. There are nuclear project demonstration reactors north of Chalk River. There is the Douglas Point demonstration reactor in Bruce County, the Gently-1 reactor near Bécancour, as well as Whiteshell, near Pinawa in Manitoba. All of those reactors need to be safely decommissioned in order to free up the land for future use at those different sites. In the case of Gently-1, that site is owned by Hydro-Québec. We need to restore the land and give it back to Hydro-Québec so they can use it for whatever priorities matter to them.

We'll have different potential uses at the different sites based on engagement with indigenous nations, local communities and stake-

holders, potentially for economic development, tourism, recreation or new brownfield sites. It's all going to depend on what we work out in partnership, of course recognizing that Atomic Energy of Canada Limited owns the land.

If you look at where most of a dollar is spent, for every dollar we get from AECL, most of it goes to addressing those legacy environmental issues. The rest of what we do is the science and technology mission.

As Canada's national nuclear laboratory, any time the Government of Canada has any questions involving anything nuclear or radioactive, we do that work for you. If the CNSC wants to know about new limits and look at the human impact of radiation, we would do that work on behalf of the Government of Canada. If we wanted to look at potentially using targeted alpha therapy and radiological medicine, we do that work. As well, we do a lot of commercial work supporting the existing CANDU fleet to make sure we continue to generate emissions-free power across the country.

**Claude Guay:** Mr. McGoey, you talked about you and your colleagues and how it's actually a multinational team.

**Eric McGoey:** That's correct.

**Claude Guay:** It sounds like it's not only Americans, but Canadians. You mentioned Brits.

Do we benefit, as a country, from that expertise? In what way?

**Eric McGoey:** I think we do benefit.

There are many questions about the contract itself that are best answered—and in fact were answered—by leadership from Atomic Energy of Canada Limited. However, one of the really important ways in which our bids were evaluated, or the bid that I worked on was evaluated, was that they wanted Canadian experience in key areas. They wanted subject matter expertise on decommissioning waste management, science and technology, health and safety, and so on. They also wanted GOCO experience.

I think it's really important to remember that there is only one GOCO contract in Canada. It's this one. Since the incumbents who had the contract for the last 10 years did not come back as a consortium to bid again, if you want GOCO experience, you're going to have to look outside of Canada.

The way the contract was written guaranteed that we were going to have people from outside of Canada who were subject matter experts and could bring that GOCO expertise, while other members of the team, like myself, would be providing the Canadian experience, although there certainly are some members of the team whose citizenship is American but who have very strong Canadian experience. Our chief operating officer, Len Clewett, worked at Bruce Power for many years before being the chief nuclear officer over at SaskPower. He has very strong Canadian experience. Our VP of construction worked at Chalk River Laboratories earlier in her career.

The idea that to be American is to be incapable of loyalty to CNL is something I reject. I also reject the idea that to be American by citizenship means you can't have Canadian experience. I know that not to be true.

• (1230)

**The Chair:** Thank you, both.

We are going to move on.

[*Translation*]

We'll now go to Mr. Simard.

Mr. Simard, you have the floor for six minutes.

**Mario Simard:** Thank you, Mr. Chair.

Not to disagree with my friend Claude Guay—I like him very much—but I don't think we're getting into conspiracy theories here.

If I'd been told two and a half years ago that our relationship with the Americans would look like this today, I would've said it was a conspiracy theory. From a geopolitical standpoint, we know that—

Can you hear me, Mr. Aplin?

[*English*]

**Stephen Aplin:** I can't.

[*Translation*]

**Mario Simard:** Okay.

We should take a few moments to solve the issue, because I'll have a question for him. I apologize, I should have started with that.

[*English*]

**The Chair:** Thank you.

We've stopped your time, Monsieur Simard.

[*Translation*]

**Mario Simard:** Thank you.

You should be hearing the harmonious voice of our interpreters, not my regional MP voice. Is that what you're hearing?

It's not working?

[*English*]

**The Chair:** Is it working for you, Mr. Aplin?

[*Translation*]

**Mario Simard:** Can you hear the interpreters? No? We have a bit of an issue then.

[*English*]

**The Chair:** Can we get some help from the technicians, please?

[*Translation*]

**Mario Simard:** It's an American conspiracy.

**Voices:** Oh, oh!

**A voice:** Probably.

• (1235)

**Mario Simard:** It seems to be working now.

I was saying earlier that we're far from a conspiracy theory, because if I'd been told two or three years ago that our relations with the Americans would look the way they do today, I wouldn't have believed it.

Given the context, I understand what you meant in your opening remarks, Mr. Aplin, especially the parallel you made with uranium enrichment, if I'm not mistaken, something the Americans won't allow us to do.

Therefore, I can see how the control of an American company over a significant part of our nuclear capabilities could have an impact on the future development of new avenues of research, such as waste management. I'd like to hear your opinion on that.

Now, we don't know what's in the contract, because we haven't seen it, but what do you think the future outcomes and consequences could be if a foreign company were in charge of everything in the contract? Could that significantly slow down research? Could this raise security issues in terms of waste management?

[*English*]

**Stephen Aplin:** Could it put the brakes on research? Yes, it could. In my professional experience with them, Americans are not happy that we developed CANDU. They don't like it. They raise a number of what I consider to be phoney proliferation concerns about it. Would they have all that much interest in pursuing...? There's further research we could do with CANDU. I've talked about enriched fuel. If we had slightly enriched fuel with CANDU, there's amazing stuff we could do with that. Are American competitors interested in seeing us pursue those research avenues? I would say, probably not.

You don't need Donald Trump to come to that conclusion. They've never been all that interested. I don't know that the GOCO has done all that much interesting research into CANDU at all since its inception.

Could they block or halt research that would benefit Canada? Of course they could. I'm not saying they would. There's just no interest south of the border in our fuel technology, and likely very little interest in anything having to do with waste management.

[Translation]

**Mario Simard:** Thank you.

Mr. McGoey, I understand what you mean about how a contract guarantees a certain way of doing things. We also learned, and this was in the Prime Minister's speech in Davos, that too often nowadays, individual interests take priority over contract compliance. We see it in international trade. I'm not saying that's what's going to happen.

I'd like to know what kind of research is being done. You talked about nuclear medicine, but I assume things could also be used in the defence sector, to protect Canada's north. I assume all these elements are protected in some way. Is that correct?

**Eric McGoey:** Yes, absolutely. From a defence perspective, Canada only uses nuclear technology to produce energy and for peaceful purposes. We don't have nuclear bombs or missiles, so when we talk about Canada's defence, as my colleague Mr. Aplin was saying, it's more about defending the north using small modular reactors, for example.

Also, there's research being done on various types of fuels. There's talk about TRISO fuel, an advanced and enriched fuel that could be used to power small reactors to help northern bases or communities with—

**Mario Simard:** Here's what I really want to know.

How are those intellectual properties protected?

**Eric McGoey:** They're protected on several levels. There are laws on export controls. All of us, for example, including my American colleagues, are prohibited from sharing the information found on nuclear laboratories information systems on websites or servers—

**Mario Simard:** If I understand correctly, some of your American colleagues have access to that information. Is that correct?

**The Chair:** Thank you.

**Eric McGoey:** Yes, we do, and the law is very clear: We cannot export—

[English]

**The Chair:** Thank you very much.

We're going to Mrs. Gallant.

Mrs. Gallant, you have five minutes.

• (1240)

**Cheryl Gallant:** Thank you, Mr. Chairman.

This is for both of you.

Does the contract have any non-competition clauses to ensure that companies in the consortium cannot take the business away from CNL in the future?

**Eric McGoey:** I don't know about non-competition clauses specifically, but there certainly are strong conflict of interest clauses.

For example, since I was recruited by Kinectrics to be part of their bid, I'm only able to be a CNL executive as a seconded

Kinectrics employee. Of course, Kinectrics does compete with CNL for some commercial work—on pressure tubes, for example—and as a result I am expressly prohibited from participating at any level in any of the procurements related to that work. I'm not allowed to see the scope of work from other companies that are submitting in the bid process. I'm not allowed to help design the bids. I'm not allowed to evaluate the bids. I'm not allowed to see the bids. There are very thick ethical walls that prevent me from any involvement.

In fact, the expectation is, in addition to those thick ethical walls on the CNL side.... From my Kinectrics reporting relationship, I have a vice-president who approves my time sheets and admin support to help with travel costs and so on, but I am fully seconded to Canadian Nuclear Laboratories. I have not done any work to support Kinectrics on any files since the contract was awarded on December 11.

**Cheryl Gallant:** Okay.

Have you worked federally in government or in any political offices?

**Eric McGoey:** Provincially, yes; federally, no.

**Cheryl Gallant:** Okay.

You mentioned the definite conflict of interest. Our previous witness said there had been the appearance of a conflict of interest because of the ownership of shares by the Prime Minister, who is ultimately responsible for appointing the AECL board.

From your knowledge of the ethics procedures, are you subject to any of that?

**Eric McGoey:** I believe that in the previous testimony on December 11, Mr. Dermakar and Madame Maude-Émilie Pagé made it clear that the procurement decisions were made exclusively by AECL and were not subject to political interference, and I take them at their word.

**Cheryl Gallant:** Do you have a pecuniary interest in any of the companies within the consortium?

**Eric McGoey:** Other than being paid through one of them through the contract, I do not. I don't own shares. No.

**Cheryl Gallant:** Okay.

You don't own shares. You don't have any conflicts of interest with respect to your previous employment and with provincial ministers.

**Eric McGoey:** No. Ontario Power Generation is a provincially owned utility. It has one shareholder: the Province of Ontario. I worked as an independent consultant, so I owned my own business with no shareholders.

I have exchange-traded funds and a small pension. It's possible that somewhere in there, there would be holdings through a mutual fund or an ETF that would be exchanged, but I do not own stocks in any particular company, for example.

**Cheryl Gallant:** Mr. Aplin, would it be fair to say that the CNL contract surrenders Canada's lead nuclear powerhouse over to the United States?

**Stephen Aplin:** That's what I think, yes. I think it's fair to say that, yes.

**Cheryl Gallant:** From your experience, how do you glean this? What have you done to be able to make that assessment?

**Stephen Aplin:** These are American companies, and in the situation we're in today, where there's political pressure being exerted on American companies—you have American CEOs giving the President gold statues—there's a very good chance that this kind of political pressure could be exerted on the members of this consortium. Why not?

**Cheryl Gallant:** Have you seen examples of that type of surrendering Canadian sovereignty in any other companies that you've worked with?

**Stephen Aplin:** I work in the nuclear industry. From my general observation—I don't want to quote our Prime Minister—I see a “going along to get along” attitude with respect to this particular situation of turning Chalk River labs over to American management. We're in—

• (1245)

**The Chair:** Thank you, both.

Thank you, Mrs. Gallant.

We are going to hear now from Mr. Hogan for five minutes.

**Corey Hogan:** Thank you, Chair.

Thank you to our witnesses.

This has been a wide-ranging discussion, as were previous conversations on this topic. I want to pull it back and say that, in my view, we've really come to three questions that the committee, the government and Canadians need to tackle.

One is about oversight. It's an independent board. It's designed to be at arms' length. It is subject to the Auditor General. It doesn't mean that the government doesn't have a role. The question is the nature of the role. That's question one. Certainly, as parliamentarians, we have a role.

A second question would be about the model. Those previous oversight questions lead to the question of the model. Is GOCO the right model? Should we be exploring Crown models? I understand the policy rationale of the Harper government in creating a GOCO model for this. It seems to me to be designed to pull in the kind of expertise we are now a bit worried about. That does not seem crazy in the current context.

This leads to my third question, which is about our relationship with the United States and our comfort with the integration of our nuclear systems, our need for their technology and our comfort with provisions and agreements that we've come to with them in the past.

The three questions are on the oversight, the model and our relationship with the United States. Fundamentally, I'm hoping we can take this whole ball we've been given and put some framework around it.

Within that, I want to understand a bit more about the model. Mr. McGoey, this is for you. We've heard from previous witnesses some contradictory comments about intellectual property. Who controls IP, how is IP established and how is IP managed by the combination of AECL, CNL and the vendors that were successful in receiving the contract?

**Eric McGoey:** Thank you very much, Mr. Hogan.

I liked your framing of the issue of the oversight, the model and the relationship with the United States. Respectfully, that third piece strikes me as a much more philosophical conversation. It's probably best with some beverages and no livestream.

If you'll excuse me, I'll speak mostly to the first two.

**Corey Hogan:** Absolutely.

**Eric McGoey:** You talked about intellectual property, and I will absolutely go into that. The short answer is that Atomic Energy of Canada Limited owns the intellectual property. They licensed intellectual property for the CANDU technology to SNC-Lavalin, and SNC-Lavalin continues to be the licensee, AECL continues to be the owner, and CNL continues to support the CANDU IP, as well as related intellectual property developed by AECL, such as the SLOWPOKE reactor that we were talking about earlier, the technology that's in Mr. Danko's riding, as well as what we call the “nuclear battery technology”.

With your indulgence, Mr. Chair, I would like to just correct the record, because some earlier witnesses made some claims that I think are just not true, and it's not helpful to have those go unaddressed. For example, it was said earlier that there's no Canadian content, that the contractor sets the priority, that these companies have no Canadian experience and that these are all American companies. None of those things are true.

I'll go through them one by one.

On the Canadian experience, Amentum, which is one of the three shareholders in NLPC, acquired Jacobs Engineering, which was one of the three companies in the last consortium. They have 10 years of Canadian experience at CNL through the GOCO because of their acquisition of Jacobs Engineering.

Kinectrics, the company that hired me to support them with their bid, was spun off from Ontario Hydro's research division in 1999 and has been operating in the GTA since then. That's where their headquarters are. They have nearly 1,200 employees in Canada supporting the CANDU fleet, doing high-voltage transmission work and supporting CANDU across the world, in fact, with their base of operations in Canada.

When I was recruited for this contract, I signed a contract with a Canadian company to do exciting work at Canada's national nuclear laboratories, and yes, events have overtaken us in many respects since that time about a year and a half ago, when I first—

**The Chair:** Mr. McGoey, you have 40 seconds. Could you wrap up your points?

**Eric McGoey:** Yes. Thank you.

Finally, BWXT Canada has over 3,000 employees in Canada, in places like Cambridge and Peterborough. They make nuclear components for CANDU, SMRs, steam generators, heat exchangers and CANDU fuel pellet fabrication.

To suggest that these are companies that don't have a strong Canadian presence, don't employ thousands of Canadians and don't have Canadian experience is simply untrue, as is the suggestion that it's CNL that controls the intellectual property.

• (1250)

**Corey Tochor:** I have a point of order, Chair.

These are all American-owned companies, are they not?

**The Chair:** Mr. Tochor, what's your point of order?

**Corey Tochor:** The point of order is that these are American companies. That's the point I'm trying to make.

**The Chair:** That is not a point of order, Mr. Tochor.

Please continue. Could you wrap up on your last point there, Mr. McGoey?

**Eric McGoey:** I've said my piece.

Thank you, Mr. Chair.

**The Chair:** All right. Thank you.

That is time, Mr. Hogan.

[*Translation*]

Mr. Simard, you have the floor for two and a half minutes.

**Mario Simard:** Thank you very much.

I'll go back to what you just said, Mr. McGoey. You talked about my colleagues' fallacious claims. I would invite you to send us a written answer, if possible. You answered verbally, but it's pretty hard for us to get a sense of things. If you could take those questions back with you and answer them as you did, but in writing, and send us the answers, that might help when we write our report.

I'd like to go in another direction for my personal knowledge. If I remember correctly, as part of another study, the committee received documents from Electricity Canada showing the various production costs per megawatts. It talked about wind, hydraulic, solar and nuclear energy, and the various costs were disproportionate.

I read an article recently about how the Chinese are deploying and rapidly developing new battery technologies for wind and solar energy.

Because of the high cost of nuclear energy, aren't we going to see a decline in its use in 15 or 20 years?

I'd like to hear from both of you on that.

[*English*]

**Stephen Aplin:** Sure.

I think it's a myth that nuclear costs are higher than solar costs. Comparing the two of them is like comparing apples and oranges. One of them provides steady baseload power throughout the day, hundreds of days at a time, at a high power rate—thousands of megawatts, quite literally—and literally for hundreds of days at a time. The other one stops when the sun goes down and starts and provides a very spotty performance when the sun is up. The two of them are not comparable when it comes to costs. That's the main thing I would say.

On the idea that nuclear is something that will be gone in the next few years, I just simply disagree with that.

[*Translation*]

**Mario Simard:** Even with the deployment of new storage technologies, you still think it's not comparable, is that correct?

[*English*]

**Eric McGoey:** Yes, I think so.

[*Translation*]

I apologize, but I'm going to answer in English, because I lack the technical vocabulary in French.

[*English*]

This is really technical stuff. Mr. Aplin was absolutely right when he made the distinction of baseload power. You need your steady, reliable baseload. Hydro is perfect for baseload. Nuclear is perfect for baseload. Then you have peaking power, and when you have intermittent power, it needs to be backed up by peaking.

That's why, as Ontario expanded renewables like solar and wind, it also built a whole bunch of new gas plants because, while a battery can supply you enough power to keep the electricity flowing when a cloud passes between the sun and your solar panel, it can't provide power overnight when the sun isn't shining, so you need to run peaking plants.

**The Chair:** Thank you, both.

We'll now go on to our last two speakers, Mr. Tochor and Mr. Danko.

You have five minutes each, and then we'll be going in camera.

**Corey Tochor:** Thank you, Chair.

Mr. McGoey, you said that you're here in a non-partisan role. You said that you worked provincially with the Liberals but have no connections with the federal Liberals.

**Eric McGoey:** That's correct. I've never worked for the federal Liberals.

**Corey Tochor:** The new member who just joined our committee, Mrs. Nguyen, is a Liberal, and your LinkedIn account says you volunteered with her.

**Eric McGoey:** That's not MP Nguyen; that's a different MP.

**Corey Tochor:** Did you volunteer with another federal Liberal, then?

**Eric McGoey:** That's correct. I did, yes.

**Corey Tochor:** But you just said you didn't have an association with the Liberals. Where I'm going with this is the transparency issues—

• (1255)

**Eric McGoey:** I said I didn't work for the Liberals—

**The Chair:** One at a time, please.

**Corey Tochor:** We have issues with the contract and with transparency, and you're claiming that you're not associated with that. It appears not to be the case. We have issues where this contract isn't transparent on a lot of it. You worked on the bidding process, and you said that the bid.... Who do you think created the priorities or the parameters of that bid, Mr. McGoey?

**Eric McGoey:** I believe the parameters of the bid were created by Atomic Energy of Canada Limited.

**Corey Tochor:** Would it be the board or the executive members?

**Eric McGoey:** I presume that the board would have to approve the overall parameters. I don't know whether the board was specifically involved in the design of the procurement itself or whether it delegated that to the executive.

**Corey Tochor:** So the board, which was appointed by the Liberals, okayed the parameters of this bid that your company won. Is that correct?

**Eric McGoey:** I don't know for a fact that they voted. I wouldn't have been at those meetings. It seems reasonable to believe that the board would have provided oversight over the procurement process.

**Corey Tochor:** In your last testimony, you said that this agreement, this proposal, was almost guaranteed to go to an all-American group.

**Eric McGoey:** Mr. Tochor, please. That is not at all what I said.

**Corey Tochor:** You said that it was almost guaranteed, though, that it would go to someone outside of Canada.

**Eric McGoey:** I said that there would be members on the winning team who had GOCO experience, which likely would have been obtained outside of Canada, yes, as a portion of the winning bid.

**Corey Tochor:** The bid, the proposal, guaranteed that this would go to a foreign company, because—

**Eric McGoey:** No, because, Mr. Tochor—

**Corey Tochor:** —the requirements—

**Eric McGoey:** I said that it was because the previous consortium that ran CNL from 2015 to 2025 did not opt to make a bid or submit a bid. Those are the only people in Canada with GOCO experience. I don't know why they didn't bid.

**Corey Tochor:** So how it was written—

**Eric McGoey:** I don't know why they didn't bid, but because they didn't bid, the GOCO experience—

**Corey Tochor:** It automatically went to the winning bid.

**Eric McGoey:** —which was part of the score, was going to end up coming from elsewhere.

**Corey Tochor:** That's how it's connected. This is where we had the issues that the contract was awarded underhandedly because it was slanted in favour of the winning bid versus past companies.

Back to your earlier testimony about Kinectrics—

**Eric McGoey:** How could the writers of the bid have known in advance that the incumbents weren't going to bid again?

**Corey Tochor:** This is the problem and why we would like to see the contract, the whole bidding process. We've been stonewalled for months on this issue.

[*Translation*]

**Mario Simard:** I apologize, Mr. Chair.

It's a very nice discussion, I really like it, but there hasn't been any interpretation for a while.

[*English*]

**The Chair:** Monsieur Simard, could you repeat that, please?

[Translation]

**Mario Simard:** I was saying that it's a very nice discussion, but there hasn't been any interpretation for a while now.

[English]

**The Chair:** Okay.

We've stopped your time, Mr. Tochor. Give me one moment.

**Corey Tochor:** Do I have three minutes left?

[Translation]

**Mario Simard:** The interpretation is back.

[English]

**The Chair:** You have one minute and three seconds.

**Corey Tochor:** It wasn't in French, though. I'd like to start at the top, because the translation services cut me.

**The Chair:** When did the translation stop?

**Corey Tochor:** You said it was a while ago.

[Translation]

**Mario Simard:** I was able to figure it out.

[English]

**The Chair:** It was just a few seconds. Okay.

I was hearing it, Mr. Tochor.

**Corey Tochor:** Okay.

This goes back to the transparency of awarding this contract. We haven't seen the contract itself. The minister hasn't appeared. We know that there are experts in the security field who have rung the bell that this is bad for Canada and bad for our sovereignty.

Then we have witnesses who come in and claim they have no association with the federal Liberals, but we find out through their LinkedIn profile that they have volunteered on campaigns in the past. We have jokingly said that we'd go for drinks when the cameras are off and have that further discussion. It adds to the issues we have with transparency when we're talking about how it would be good to have a conversation over a beer when the cameras are off.

This might be how Liberals operate in Canada, but I can tell you that Canadians are fed up. They're fed up with people saying one thing when their actions don't match those words. This is a prime example, when we sell out our Canadian nuclear labs to an all-American group that has connections to our Prime Minister. It stinks, and we need more study on this. I am very interested to see this report at the end and the recommendations on how we should be ripping up this agreement and starting over again.

**The Chair:** Thank you, Mr. Tochor and Mr. McGoey.

I'd like to welcome Ms. Chi to the committee. She is a Toronto MP and is replacing Corey Tochor as we wind down the meeting.

Our final speaker is Mr. Danko for five minutes.

• (1300)

**John-Paul Danko:** Thank you, Chair.

Like all of us, I've been doing my genuine best to follow the bouncing ball of the conspiracy theories here this afternoon. I'm not sure I can follow. I guess you have to be plugged into those networks to understand what they're talking about.

Mr. Aplin does make some very valid points about the current U.S. administration and the lack of the rule of law and lack of accountability in the United States under the current White House. It's a fascinating exchange, because recent polling shows that 49% of Conservatives support the Trump White House, 7% of Conservatives would not resist the American annexation of Canadian territory, and there's strong U.S. influence over the "freedom convoy" movement and the opposition leader's maple MAGA movement. It's been a very interesting day.

Mr. McGoey, I'll go back to you. I'll give you the last word and the last time here. Is there anything you wanted to add to set the record straight on the work you do, the benefits to Canadians and the overall integrity of your organization?

**Eric McGoey:** Thank you very much, Mr. Danko.

Through the chair, I apologize for my glibness earlier, when I referenced having a drink and talking about the Canada-U.S. relationship. It's a very serious issue. We're all impacted in different ways. One of my best friends from high school is in Minneapolis. We've talked regularly over the past few weeks, and what's happening there is absolutely horrific. I don't want to suggest that it's not a serious issue. It's certainly worthy of this committee's interest and hard work. I regret having been glib in that respect.

In terms of the work that we do at Canadian Nuclear Laboratories, we take our mandate to deliver for Canadians very seriously. One of the most interesting things I find about CNL is that it doesn't really matter how much you support the nuclear industry or whether you believe there's going to be a future for nuclear as renewables get cheaper and battery storage gets better, because regardless of what happens at the national lab, if it were to shut down tomorrow, there would be a century's worth of environmental remediation and decommissioning work to do to restore that land to the state that Canadians would expect us to.

When I think about why I'm most proud to work at CNL, I think of decommissioning and waste management projects like the ones we did at Port Hope and Port Granby. You go to that facility near Darlington in the Durham region.... That was a hugely contaminated town, not just from the uranium refining that happened during the Second World War, although that was a big part of it, but also from the industrial sites that were left in really terrible shape. The Government of Canada reached an agreement with the municipality to clean up those highly polluted sites, and AECL delegated that work to Canadian Nuclear Laboratories. We have spent years methodically cleaning up these very polluted industrial sites, these radiologically contaminated sites, and now we're at the point where we are giving back the waterfront to that community. We dredged the harbour. We built new parks on former industrial sites.

That's the kind of work that all of us Canadians can be proud of being done on our behalf by Canadian Nuclear Laboratories, in addition to the exciting science and technology and things like targeted alpha therapy and the next generation of nuclear reactors.

**John-Paul Danko:** Thank you.

Chair, I still have a little bit of time on the clock.

**The Chair:** You have 45 seconds.

**John-Paul Danko:** Maybe just touch on the Canadian employment numbers. How many Canadians jobs are involved here?

**Eric McGoey:** When we're talking about Canadian Nuclear Laboratories proper, we have about 4,000 employees. That's spread over Manitoba, New Brunswick, Ontario and Quebec. If you talk about the companies that make up NLPC, which was awarded the contract to manage Canadian Nuclear Laboratories, we're talking about over 3,000 through BWXT Canada and nearly 1,200 through Kinectrics.

• (1305)

**John-Paul Danko:** Thank you.

**The Chair:** Thank you.

Thank you to our witnesses. There were some good, spirited exchanges, which we always welcome, but for the most part, they were respectful. Thank you for appearing today.

Colleagues, we are going to roll over into committee business now, which requires that we go in camera.

We'll suspend for just a few minutes while we get ready to go in camera.

[ *Proceedings continue in camera* ]







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