



SNC-LAVALIN SHARES DROP ON RCMP PROBE

Bangladesh will pull \$1.2 Billion bridge deal if SNC-Lavalin corrupt

World Bank: "We have been informed that the Royal Canadian Mounted Police is investigating employees of SNC-Lavalin for violations of Canadian law," the World Bank spokesman said. "We commend the Royal Canadian Mounted Police for its robust response to the World Bank referral and look forward to the outcome of its investigation". The World Bank signed a deal in April to lend \$1.2 billion to Bangladesh to build the four-mile bridge over the river Padma. SNC has indicated that it will cooperate with the RCMP probe, though Bangladesh has a history of being the most corrupt country in the world ..

Postscript: There is no indication at this time that the RCMP is also probing SNC-Lavalin's curiously-timed low-priced \$15 million purchase of AECL's CANDU business and its curiously-timed high-priced \$1.3 billion deal to refurbish an Argentinian reactor, a couple of gimlet-eyed deals almost too cute by half ..

Postscript 2: It also remains unclear whether the horsemen are probing any links between CIDA development funds and SNC-related mega-projects in Bangladesh and/or other far-flung off-the-map outposts such as Kerala, India where CIDA and SNC-Lavalin have been embroiled in a shocking saga. According to the Economic Times of India, 'the Comptroller and Auditor General of India had found irregularities in the contract with SNC Lavalin of Canada for renovation and modernisation of the Pallivassal, Chengulam and Panniyar hydro-electric projects in Idukki'. Numerous people have been targeted, including Pinarayi Vijayan, Kerala's controversial Minister of Electricity, and Claus Trendl, a senior SNC-Lavalin vice-president, relating to 'kickbacks' ..

Postscript 3: An unrelated CIDA internal audit found that one of its programs 'doled out almost \$500 million .. but the vast majority of projects weren't actually implemented' ..

Postscript 4: Lobbyists registered in Ottawa for SNC-Lavalin include Pierre Lagueux and George Butts, both at CFN Consultants, curiously the same improbably lucky firm of skulking backroomers who rep Lockheed Martin, that aerospace behemoth responsible for foisting its star-crossed money-no-object F-35 fighter jet upon unsuspecting taxpayers in countries hither and yonder ..

Postscript 5: *It should be noted that SNC poohbah Pierre Duhaime (see deer/headlights pic above) is listed with the Federal Lobbyist Registrar as his firm's in-house lobbyist, with over two dozen listings in the public registry as he reached out for reasons unknown to the likes of CabMins Jim Flaherty, Christian Paradis, Lisa Raitt & John Baird; deputy-ministers Louis Levesque, Michael Wernick, and Nicole Jauvin; not to mention ministerial chief-of-staff Robert Klager and parliamentarians Alan Tonks, Peter Julian, even noted grand-fromage Leo Housakos, the Montreal Senator, of all people.*

Postscript 6: *In a mostly-overlooked [Q&A for Maclean's](#) a few months ago, Duhaime tries to rationalize 25 years of doing business with recently ousted Libyan dictator Gaddafi where SNC-Lavalin excelled at building the Guryan Judicial City prison for Gaddafi. "What's wrong with this .. you need to have jails", Duhaime bombastically exhorts. When asked about Libya's abysmal human rights record, our great international man of corporate affairs and Canadian ideals responds "Do you have any proof?" But that may not be enough to save SNC-Lavalin's bacon in Libya now that Gaddafi is gone. As The Toronto Star's Josh Rubin [put it a week or so ago](#), 'Would you do business with a company that built a jail for your oppressor?'*

Postscript 6(a): *Coincidentally, shortly before the MacLean's interview (above), [it was revealed elsewhere](#) that Gaddafi had somehow managed to stash away \$2 billion in cash into Canadian banks, the source of which remains unknown.*

Postscript 7: *Questions over accounting have been clouding SNC earnings this year. A few months ago, the Globe and Mail's David Milstead [reported that](#) SNC 'has a lucrative, growing relationship that will add millions to its sales and profits - and yet, not a dime of new cash will flow into the company', concluding that 'some of the company's profits are illusory'.*

Postscript 8: *Meanwhile, way out in Newfoundland, of all places, SNC-Lavalin (seemingly Johnny-on-the-spot for all manner of global derring-do) is pushing ahead with its highly controversial Lower Churchill project and is said to be 'advertising heavily', according to a [VOCM squib](#), despite a 'damning Joint Review Panel report'.*

Postscript 9: *SNC-Lavalin's [Board of Directors](#), in stealth formation behind front-man Pierre Duhaime (again, see deer/headlights pic above) is comprised of a surprising amalgam of personalities. Notables include [Ian Bourne](#), a key tar sands proponent who also sits on the board of the Canada Pension Plan Investment Board, which boasts [a staggering \\$153.2 billion](#) in funds that it invests on behalf of Canadians. It is unclear whether CPP funds have found their way into SNC projects, either domestically or internationally, though its website suggests it invests in [a wide array of projects](#) (electricity transmission and distribution, gas transmission and distribution, water utilities, toll roads, bridges and tunnels, airports, and ports) which seem to parallel SNC activities .. BC Premier Christy Clark's [close adviser](#), the outspoken Gwyn Morgan, is SNC-Lavalin's Chairman. He also chairs its governance committee, which one would hope has been a hotbed of frothy banter this holiday weekend after Mounties raided its offices late last week. Morgan was recently described as a ['basher of enviros and unions'](#)*

by the west coast webzine 'The Tyee' .. Also along for the ride are York U president Lorna Marsden & CN Rail CEO Claude Mongeau .. as is an otherwise flamboyantly chatty [Hugh Segal](#), the dandiest of Senators, no less. He conveniently sits on the Senate's Foreign Affairs and International Trade committee, though his thoughts on Canadian corporate corruption in foreign lands have yet to grace a broadsheet. When not in the Capital, Segal can often be found lunching on a simple meal of oxtail consomme, steak frites, and (when the mood tempts) a slice of the tasty bee pollen cheesecake flan, at Toronto's bastion-blue Albany Club.

Postscript 10: The Montreal Gazette [reports this morning](#) that SNC-Lavalin finds itself in the middle of the Ville Marie Tunnel mess. Recall back on July 31 some of the tunnel collapsed during ongoing repair work based on a 2008 SNC-Lavalin tunnel inspection, 'sending at least 20 tonnes of concrete crashing onto the roadway and narrowly missing motorists'. The story reports that while SNC & a couple of other engineering firms are together undertaking the \$37.5 million repair job, 'no engineers or Transport Quebec employees' were actually on-site supervising the work.

SNC Postscript 11: Questionable BC government decisions over the use of fresh water by the mining sector. Giant multiple-decade contracts permitting fracking (the use of fresh water to fracture rock underground) are being doled out and, as this [Postmedia report](#) suggests, SNC-Lavalin Chairman Gwyn Morgan is being fingered for his curious influence over Premier Christy Clark.