

Adjournment Debate

Mr. Parent: Parking space is another thing we probably should be looking at.

Admittedly, the Human Rights Act is not perfect, but it is still an effective weapon in the battle against discrimination, and it is through the frank assertion of its enforcement powers that we shall work toward greater equality for all Canadians.

● (2220)

Mr. Dinsdale: It was in the Speech from the Throne.

Mr. Parent: Yes, it was mentioned in the Speech from the Throne.

I should like to conclude by saying that one challenge for the 1980s for both the federal and provincial governments will be to bring into line all existing human rights legislation so as to ensure there is more uniform protection from discrimination in all areas of interest to disabled Canadians.

INDUSTRY—TERMS OF LOAN TO VALLEYFIELD CHEMICAL
PRODUCTS CORPORATION—INVESTIGATION OF SPACE
RESEARCH CORPORATION

Miss Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, I asked a number of questions on June 17, 20 and 26 concerning the government's hosting or, as the Secretary of State for External Affairs (Mr. MacGuigan) wrote in a letter to me the other day, co-hosting a secret armaments conference, providing the Government Conference Centre for this meeting and, as I have discovered also, providing some money to help support it.

The Minister of Industry, Trade and Commerce (Mr. Gray), as reported in the *Toronto Star* of June 28, said that the government kicked in about \$5,000, all of this being done basically to aid a corporation called the Space Research Corporation about which members of the House of Commons have been inquiring for over two years. Several members of the Conservative party asked questions in 1977-78, and the government has consistently been stonewalling. Obviously someone at the Space Research Corporation has a lot of friends in high places in the Liberal party and in the government. This is the same corporation that has long been under investigation. Indeed the investigation was completed by the RCMP. The same corporation was recently convicted in the United States of illegally shipping arms to South Africa.

All the questions that I have asked on these days have, with only one exception, not been answered. I realize that I cannot expect them all to be answered tonight in three minutes, so I will focus on the questions mentioned in the proceedings on the adjournment motion. The reference is to the specific questions put on June 26, 1980, and I hope the government is now prepared to answer them.

The first question, to remind whoever is speaking for the government, was whether the Department of Industry, Trade and Commerce was aware of the RCMP investigation of the Space Research Corporation when it authorized both a loan

and a grant to a wholly-owned subsidiary of Space Research, namely, Valleyfield Chemicals. The minister replied:

Madam Speaker, I will get the information for the hon. lady and inform her as soon as possible.

So I am expecting this to take place tonight.

The second question I asked of the minister was whether he could tell us whether the loan to Valleyfield Chemicals is still outstanding and whether the grant has been terminated. He said again that I would be receiving answers to those questions.

● (2225)

In a supplementary question on June 26, which is apparently what we are focusing on tonight, I asked the Minister of Industry, Trade and Commerce if he would give us some assurance that until the RCMP report is made public or at least until the investigation of the Space Research Corporation that is now going on in Quebec is completed, there would be no further grants or loans to SRC or its fully-owned subsidiary. I am looking forward to a clarification of the minister's reply. He said:

—until the matter is resolved by the courts one cannot presume that the parties will be ineligible for further assistance based on economic development aspects.

Particularly I should like to know what that means and how it ties in with the statement which appeared in the June 27, 1980 edition of *The Globe and Mail* the day after I asked my question. According to the Minister of Industry, Trade and Commerce, the article indicated:

Space research will be ineligible for further aid until a decision had been made on whether charges will be laid, he added.

Those are the specific questions to which I was promised answers, and I look forward to hearing them now.

Mr. Robert Daudlin (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, Valleyfield Chemical Products Corporation was formed in 1977 by Canadian Technical Industries to purchase, rehabilitate and operate a military explosives and propellant manufacturing facility in Valleyfield, Quebec. It was and still is the only facility of this type in Canada. It was built originally by the Crown during World War II, and in the mid 1960s it was sold to CIL Inc. In 1976 a permanent shutdown of the facilities was announced by CIL.

Because Canadian Technical Industries is in the large calibre munitions business, it was a major customer of the CIL facility and therefore wanted the operation to be continued. As a result, the company approached the federal government for assistance to take over the operations and to carry out the required extensive rehabilitation of the facilities. At that time officials had no knowledge of the RCMP investigation of the sister company, Space Research Corporation (Quebec). For strategic and economic reasons, the government decided in the fall of 1977 to assist the company.

A non-repayable contribution of \$3 million was provided under the Department of Industry, Trade and Commerce defence industry productivity program. In addition, a repayable contribution of \$5.35 million was provided. The non-