

Oral Questions

Mr. Austin, according to the minutes, stressed that the cabinet was in favour of the arrangement. That is what Mr. Austin said. Will the Minister of Justice stand in his place and tell us whether that statement by Mr. Austin as deputy minister is correct, and whether it is true that in 1972 the cabinet was in favour of an arrangement which it knew would have illegal consequences? Will the minister confirm that?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, the Prime Minister replied to these questions the other day. At that time the government wanted to establish an international agreement with many nations to protect Canadian producers against the activities of the American government which was shutting out Canadian products from its market. We wanted to ensure that workers in Uranium City and northern Ontario were able to keep working.

● (1140)

The international agreement was known. It had been discussed and agreed to. It was completely legal. The point was, as indicated by the Prime Minister, that this did not give companies in Canada the right to fix the price in the Canadian market. That aspect was referred to a commission. The commission looked at the fixing of prices by Canadian companies in the Canadian market. This was illegal, and that is why I decided to prosecute the six companies which tried to fix the price in the Canadian market.

Mr. Clark: Madam Speaker, the other day the Prime Minister said he did not know until 1975, and he did not act until 1977. This evidence by Mr. Austin, which the minister cannot deny—and will not deny because he knows it is true—indicates that the Government of Canada had the knowledge that this arrangement could be illegal three years before the Prime Minister admitted he knew.

LEGAL OPINION PREPARED IN 1972

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, let me ask the Minister of Justice whether there was another opinion by the Canadian Department of Justice, again in 1972, which indicated that the arrangement approved by the cabinet would lead to a possible offence under the Combines Investigation Act by 1977 at the latest. Can the minister confirm that such a report was received in 1972? Can he confirm that the Department of Justice told the then minister of justice and the Government of Canada as early as 1972 that the course upon which they were embarked was a course which could break the law of Canada?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, I would like to repeat again that when the Canadian government decided to establish an international agreement to make sure that the Canadian producer of uranium would keep producing uranium in Canada, it was to protect the Canadian product against the actions of the American government at that time. That was

done. It was acceptable to everybody because it was the goal of all the people who were producing uranium to make sure we were not shut out completely from the international market because of the action of the American government. This was the problem of the international cartel or the international agreement, but it did not give permission to the companies to try to fix the price in Canada.

It was exactly this problem which was inquired into by a commission for four years. The commission had access to all the government documents it needed. Mr. Bertrand at one point asked to see cabinet minutes, and later on he declared he did not need them, so he had all the documents he wanted. He said that not long ago and, after four years of looking at all the aspects of the illegalities, he made a recommendation to me which I accepted. After four years of inquiry he found that six companies should be prosecuted. I accepted his report. The matter is before the court, and it is up to the court to decide.

DOCTRINE OF CROWN PRIVILEGE

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Madam Speaker, what Mr. Bertrand in fact said to *The Toronto Sun*—

Some hon. Members: Oh, oh!

Mr. Beatty: —was that having access to the cabinet documents would help to confirm his suspicions.

Yesterday I asked the Minister of Justice for the assurance that he would not invoke the doctrine of Crown privilege to block testimony concerning the cartel, or to block the production of papers concerning the cartel in the court case, a doctrine which has been invoked in previous instances relating to the cartel. The minister refused.

In view of the fact that the government is today using its majority to padlock Parliament, will the minister give this House the assurance that under no circumstances will he invoke the doctrine of Crown privilege to frustrate the attempt of courts to get to the bottom of this incident?

Hon. Jean Chrétien (Minister of Justice and Minister of State for Social Development): Madam Speaker, one of my colleagues established very well some weeks ago that when the source is *The Toronto Sun* it should not be relied upon too much.

The second thing is that I said yesterday—and I will repeat it for probably the sixth time—that in terms of Canadian courts dealing with Canadian laws and Canadian problems there has been a decision of the appeal division of the Federal Court which says that these documents would be available. I am facing a hypothetical question. I am the Attorney General of Canada. The case is before the court. I have no request from any court or any judge about documents at this time. I do not deal with hypothetical questions, but I would like to say that when we are dealing with Canadian problems before Canadian courts, the documents cannot be prevented from being produced in court because the rule was that foreign