

Privilege

place is acceptable, not just to each other, but also to the public.

In this regard I want to make it very clear that one can either extol or deplore television, but it is here. One thing it has done is give a lot of Canadians a chance to see what we do in the Chamber. While this may have helped some of them see what we are doing in terms of policy and substance, it has also given a lot of people a chance to see things that we do that they do not appreciate. I think that we are bound to take that into account. Certainly this morning's discussion is helpful to me and I hope that I will be able to respond in a way that is helpful to the Chamber.

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PRIVILEGE

MEMBER FOR TIMISKAMING

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, last Thursday I gave notice in regard to what I believe is a point of privilege.

It is probably the most important statement that I have made in my nine years as a parliamentary member for the riding of Timiskaming. I refer to *Hansard*, page 5508, of November 28 and the comments made by the member from Sudbury.

The question is in regard to my honesty and integrity. I want to stand before the House today as someone who has represented a riding and has been here for three elections.

The allegations have caused damage to myself, my family and the riding of Timiskaming which I have represented for nine years.

I would like to take a moment to review and set the record straight. I believe that when accusations and allegations are made in this House and transmitted back to your ridings, it is very difficult to be able to stand up and defend them, putting matters straight once and for all.

A year ago, tenders were called for a building in Kirkland Lake. The first round of tenders were all too high. The second round of tenders, numbered project 2000 were disqualified. The second tender was from a company named Cohole construction of Kirkland Lake.

I just want to read a couple of paragraphs in a letter that was sent to Mr. Young Hong, President of Cohole Development Corporation on November 27, 1991.

I wish to re-confirm the advice given you by my staff October 16, 1991 and reiterated in my November 15, 1991 letter to you that Public Works Canada has terminated its contract with Cohole Development Corporation to provide the necessary space. It should be clearly understood that our decision to terminate the contract is based on two factors.

• (1030)

First, as a result of a loss of financing for this project by Cohole Development, your contractor stopped work in September, 1991 thereby placing the project at serious risk. You were unable to secure alternative financing, even after several extensions granted by us to October 16, 1991 and therefore we terminated the contract as we had no guarantee that Cohole Development would be able to complete the project.

You may also recall that at a meeting in your office February 21, 1991, officers of this department and a DVA official discussed the requirements of the project with you and you were advised at that time that a \$2 million bond would be required as part of the contract.

The purpose of the bond is to protect the Crown in the event you were unable to complete the project, thereby minimizing our risk by providing funds to offset the costs of leasing interim space.

You may also recall that officials on my staff advised you again on June 21, 1991, at the time the contract was awarded to you, of the requirement for a \$2 million bond.

Public Works then went to the third tender, a company called Anthony Kemp Architects Inc. A reference on page 5508 of *Hansard*, states my brother-in-law was called in as being part of the ownership of this.

I place before you today a letter from Anthony Kemp which states that "as a point of information the sole shareholder of 926260 Ontario Limited is Anthony Kemp. Should this company be successful in this endeavour, the ownership of the said company will be widened to include the following individuals: Anthony Kemp, Garry Fairhurst, Warren Beamish, Norman Seymour, Robert Chafee and Peter Balan. Mr. Gary Watkins does not have and will not have any pecuniary or other interests in 926260 Ontario Limited."