

this whole shameful thing is about today, an attempt to cover up the fact that this whole affair was impacting upon prices in Canada.

We know that back as far as July, 1974, Ontario Hydro was told uranium would have to be bought at world prices, and that subsequently Ontario Hydro in fact complained. Going back to March 8, 1974, we know that a Gulf Minerals memo was produced under the freedom of information act in the United States which read in part:

The EMR staff does, however, recognize that Canadian utilities must be prepared to pay the same prices that we could achieve from export sales.

There is no question that in 1974 the cartel was operating to fix prices in Canada. No action was taken until 1977, notwithstanding the fact that the Prime Minister became aware of it in 1975. His reason given in the House for not taking action until 1977 was that no complaint had been laid. This sounds like a rather strange way in which to administer the law. What we are dealing with here is not the honourable attempt of the government in 1972 to protect Canada's threatened uranium industry, but the attempt of the government to cover up when it discovered that the cartel was illegally operating in the country.

Some hon. Members: Hear, hear!

Mr. McGrath: The Minister of State for Mines talked about her gratitude to the government for saving the uranium industry. I would have expected the hon. lady to express her concern in the House on behalf of the Ontario consumers of electricity, since she represents an Ontario constituency. What was the effect of the cartel? Uranium prices rose from \$6 per pound to \$40 per pound to Ontario Hydro. We know that as of today and as of 1975 over one third of Ontario's domestic electricity comes from nuclear power, and that it will go to two thirds by the end of the century.

I am sorry the Minister of State for Mines is not in her place, but let us take a look at what happened to domestic electricity prices in Ontario during the period of the cartel. I am referring to Ontario Hydro's rates to consumers. In 1972 the first 750 kilowatts were charged at 1.7 cents per kilowatt hour. In 1974 it rose to 3.55 cents per kilowatt hour; here we see the cartel coming into play. In 1976 the first 750 kilowatts were charged at 4.8 cents per kilowatt hour. In 1978 it was 6.7 cents per kilowatt hour. In 1981 it was 9.25 cents per kilowatt hour. That is a 500 per cent increase. It is not all due to the operation of the cartel or to the increase in the cost of energy, but a large part of it is. Ontario consumers have been bilked illegally of millions of dollars, and they have a right to some redress.

Where was the minister of consumer and corporate affairs in 1977 when he started the investigation with respect to the impact on Canadian consumers? He knew at that time because it was brought to his attention. What action was taken when it first came to the attention of the Prime Minister in 1975? He did nothing, except to bring in a "gag" law by order in council in 1976 to shut up public servants who were beginning to feel

uneasy. That is what he did, and the cover up carries on to this day.

I hope the hon. member for Timmins-Chapleau (Mr. Chénier) does not interrupt me. He will have to explain to his users of electricity why Ontario users have to pay prices based on an illegal cartel operating in the country.

We know that charges have been laid selectively. We know that the companies involved in the cartel have been charged. One of those companies is a Crown corporation, Uranium Canada. During the time of the setting up of the cartel, its president was Jack Austin, then deputy minister of energy, mines and resources. We know that the present chief executive officer of Uranium Canada is one of the unindicted co-conspirators. He had the misfortune to be the assistant deputy minister of energy, mines and resources in 1972. Yet it boggles the mind that the government refuses to tell the House and the country why the co-ordinator of the cartel in Canada, why one of the instigators of the cartel in Canada, namely, the then deputy minister of energy, mines and resources, the former principal secretary to the Prime Minister, the now Senator Jack Austin, has not been named as one of the unindicted co-conspirators. That is the question.

I submit that the reason Mr. Austin has not been named in the information is because if you get to the deputy minister, then obviously you are getting to the minister; if you get to the minister, you are getting to the government; if you get to the government, you are getting to the Prime Minister.

Some hon. Members: Hear, hear!

● (1730)

Mr. McGrath: Because, Sir, the government is not above the law and this government stands guilty by its own inaction, by its own stonewalling, of being not only a conspirator to an illegal act but of being engaged in an attempt to cover up an illegal act.

Some hon. Members: Hear, hear!

Hon. Bryce Mackasey (Lincoln): Mr. Speaker, as the hon. member for St. John's East (Mr. McGrath) has pointed out, time constraints do not permit anyone in the House to deal at any great length with the reasons why, on July 17, we are still sitting in the House of Commons. I share his point of view, too, that enough has been said about the Post Office and that Judge Allan Gold is one of Canada's top mediators. I can say that from personal experience, having sat in on more than one dispute with him, particularly on waterfront problems.

I, too, like the hon. member, would like to talk about the uranium cartel. One of the things which has always puzzled me, intrigued me, and at times upset me about this House, is the ease with which we can fabricate a picture, weave a story based on innuendo, half lies, and sometimes blatant disregard for the truth. Let one member opposite stand between now and 1 a.m. and accuse Jack Austin of wrongdoing—just one person.