

*Summer Recess*

**Mr. Beatty:** There have been at least nine instances in which the government used the powers available to it to prevent a full investigation from taking place. The first was in the creation of the cartel. The government had two options. It could either have done it the honest and straightforward way by bringing legislation before Parliament, which would have disclosed its plans, and setting it up in the same way as it set up agricultural marketing boards, something which is quite legal, or the government could have done it through secret agreements, through hiding the facts, through subterfuge. It chose to do the latter.

Any study of the public record will show that at the time this was set up, there was very little news released to the public and to the general press. The only information which was released referred to a number of officials who had met to exchange marketing information. No information was released as to the existence of a secretariat, of a policy committee, of a quota system which divided the international marketing, or of a system of bid rigging that Canada engaged in with the knowledge of the Department of Energy, Mines and Resources. These facts are incontestable, and the government itself does not contest that bid rigging took place; yet all of that was hidden. The government operated by secrecy. Indeed, when it was raised by reporters at that time, Mr. Macdonald, who was the minister of energy, mines and resources then, disclosed the fact that something was up when they passed regulations. However, when the press inquired about that on August 24, 1972, *The Globe and Mail* reported this response:

"Because of the nature of the uranium export contracts, it would not be in the public interest to disclose further contract details at this time."

Therefore, the cover-up began in 1972, as this was set up.

● (1510)

The minister says now that they were not aware of anything illegal and that there was no problem. Mr. Speaker, one gets a sense of déjà vu when one hears a cabinet minister say that. I have in my hand a copy of an article which appeared in the *Toronto Star*, the House organ of the Liberal party, an unimpeachable source as far as the Liberals are concerned. It is dated September 1, 1976, and is headlined "Minister denies uranium price was fixed". The dateline is St. John's, Newfoundland, and the article reads as follows:

Energy Minister Alastair Gillespie has denied allegations that Canada has conspired with other countries to fix uranium prices since 1972.

Later, the article goes on as follows:

In denying the allegations, Gillespie said that if anyone could be accused of monopolistic tactics it is the U.S. itself.

Yet what do we find now, in the laying of charges, Mr. Speaker? We find precisely what the government is alleging, that there was an international conspiracy which Crown corporations participated in, which was set up—

**Mr. Ouellet:** Not true.

**Mr. Beatty:** —in the boardrooms of the Department of Energy, Mines and Resources in which senior officials of the government participated and whose activities were legitimized

by actions of the Government of Canada. When the minister makes a statement like that, why should we trust his word now, any more than we should have trusted Mr. Gillespie's word then?

The second incident occurred in 1976 after the U.S. Department of Justice began its criminal investigation into the cartel. The U.S. congressional subcommittee examined the actions of international uranium producers, and information was sought in Canada. After Mr. William Gilchrist, president of the Crown corporation, Eldorado Nuclear, gave a deposition to U.S. authorities, the federal government at first flatly denied the existence of a cartel, which it euphemistically referred to as a "marketing arrangement", and then enacted the uranium information security regulation, or the gag order.

The regulations went far beyond what was necessary to achieve the professed aim of the government, namely, to prevent the extra-territorial application of the law of other countries. It was claimed that the issue was national sovereignty. What the regulations did was to prevent anyone in Canada from discussing or seeking any information about the cartel. The government admitted this in its subsequent enactment, 13 months later, of less restrictive regulations which applied to government and uranium company employees.

Note, Mr. Speaker, how the regulations dealt solely and expressly with the uranium cartel. The government justified its action, on the basis of a broad principle, that documents should not be subpoenaed from Canada into other countries, yet it rejected the proper course of bringing in legislation to deal with that broad principle. Instead, the government introduced a gag order which prevented discussion in foreign countries or in Canada about the Canadian government's participation in the cartel.

In the same year, the then minister of energy, mines and resources, the Hon. Donald Macdonald, also invoked Crown privilege to prevent the disclosure of information relevant to the cartel, regarding the case Duquesne Light and Electric.

You will remember that when I put the question to the Minister of Justice (Mr. Chrétien) today, Mr. Speaker, and sought the assurance that the government would not again try to impede these criminal cases by invoking the doctrine of Crown privilege to prevent testimony being given by federal officials or to prevent federal documents from being made available, the minister refused to give that assurance.

The regulations had the effect of preventing free discussion of the cartel for a year. In the summer of 1977, the U.S. congressional subcommittee released documents pertaining to the involvement of Gulf Minerals Canada Ltd. in the Canadian producers group. Correspondence from such people as Senator Austin and the unindicted co-conspirators, was included in the package.

Under pressure from the Canadian government, this Liberal government, the U.S. state department had "Specially Confidential" pencilled on the documents and requested the subcommittee not to release them publicly. Due to the Canadian government's past refusal to co-operate with the U.S. authori-