

*Ministerial Responsibility*

In addition to probity in the conduct of affairs, we also demand diligence of the minister in seeing that the affairs of his department are undertaken with a basic level of competence. While it might seem more accurate to call this expectation ministerial competence rather than responsibility, this would be a mistake, for the basic principle remains that the minister is responsible for the conduct of his department's affairs. Above all, the minister is bound to ensure that his actions set an example for diligence, honesty and competence. He can scarcely excoriate a subordinate for laxness if he has been lax himself; for dishonesty, if he has been dishonest himself; or for incompetence, if he has been incompetent himself. The Canadian people should demand from their government behaviour which at the very minimum meets these criteria.

I intend to use this opportunity to examine in detail one case, namely, the financing of the LRPA project. I intend to look at it, however, not so much for the content of the decision but, rather, for what it reveals of the process and style of decision-making as practiced by the current government. In this process we will find revealed the increasing inability of the Liberals to conduct the day to day business of government.

We are not concerned here with corruption, chicanery, or even with the incoherence of the government's approach to defence policy. Rather, it is a lack of simple competence in carrying out the decisions which confront them. Because the government's blundering in this case has been both obvious and enormous, it has afforded the House a rarely equalled opportunity to catch a glimpse of the reality of decision-making as it is conducted by the Liberal cabinet.

Before I begin my analysis of the cabinet's actions, however, I wish to apologize to you, Mr. Speaker, and to members present, and beg their indulgence, as the information which I will present is far from straightforward. As a result of the government's unwillingness to let the House or the Standing Committee on External Affairs and National Defence have access to much of the relevant documentation or to several important witnesses, the story must be pieced together from a variety of sources and teased out of ministers' obfuscatory statements. The results are difficult to follow and not entirely unambiguous. However, the general lesson is clear. We find here a cabinet conducting the nation's business without even a minimum of competence.

Let us begin with the rather surprising statement made on Friday last by the Minister of National Defence (Mr. Richardson). In response to my question asking whether he knew by about mid-November "that the commitment by Lockheed to provide interim financing for the LRPA project was purely verbal", the minister replied:

I did not know that in mid-November . . . about the middle of December . . . was also the first time I learned there was only a verbal agreement.

This is recorded in *Hansard* at page 14657. This means that the minister did not know, he now claims, about the verbal agreement. This is in direct contradiction of everything we had been led to believe up to that time. I would ask you, Mr. Speaker, as I go through several statements here, to note how often we heard the word "said" and how often we hear the word "told".

[Mr. McKinnon.]

You might wonder why the minister has changed his declaration from one of easy compliance with what his officials told him to one of denying that he knew it. I suggest to you that it might be that, as the Minister of Supply and Services (Mr. Goyer) was well off in denying that he knew about the agreement, blaming it on a subordinate, the Minister of National Defence is now trying to do the same thing.

● (1650)

While this admission of ignorance as to the details of the financing of a billion dollar purchase is surprising for the lack of diligence it reveals on the minister's part it implicitly contradicts his earlier statements. Indeed, the minister had, until last Friday, never wavered for a second from his contention that the whole cause of the misunderstanding was that Lockheed said it could arrange financing and then later said it could not. The Minister of National Defence has consistently identified himself with his officials on this position. The full position the minister has taken can be deduced from his various statements to the House and to the Standing Committee on External Affairs and National Defence. The Minister of National Defence told the first meeting of that committee which was considering the estimates:

—it was during the final negotiation of the contract that we learned that Lockheed was not going to be able to provide the financing for the short-term production-phase payments which we had believed the company could provide.

That was what he said on March 23. At the same meeting he admitted there was a difference between the funds available in the DND budget and the funds required. He said:

It was that difference which was to be financed. It was known then and now and Lockheed indicated they could finance that previous difference. Subsequently, they said they could not and that is the sole source of the misunderstanding.

That is what the minister said on March 23. Further, he said:

The misunderstanding was that we believed, and my officials were told by Lockheed, they could finance the difference. They subsequently told us they could not.

These are the words of the minister who said he never knew there was a verbal agreement. Further in the minister's statement, he said:

And we were satisfied then—

Meaning in November.

—that they had the financial capability to complete the contracts . . . we had also been talking at the same time with Boeing . . . and Boeing gave us the same assurance that they could assist with the financing.

He went on to say:

It did not seem to me there were very real difficulties in arranging the financing.

I would draw to the attention of the House the minister's use of the word "me". The minister seems to have been of the opinion that there would not be substantial problems associated with financing for a company that had had prolonged financial difficulties and was in the throes of scandals which could not but jeopardize its future hope for contracts. This despite the fact that the minister had had the problem of financing brought to him by General Allan, according to General Allan's testimony on April 13 before