apply to any country in the same way. When a government has effective control of the country, we will of course establish immediate official relations with them.

• (1140)

[English]

## NATIONAL DEFENCE

POSSIBILITY ACQUISITION OF MILITARY EQUIPMENT WAS CONSIDERED IN EXCHANGE FOR LINK WITH EUROPEAN ECONOMIC COMMUNITY

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, might I direct my question to the Minister of Public Works in his capacity as Acting Prime Minister in an attempt to discover whether or not, as part of the negotiations or discussions leading to contractual links with member countries of the European Economic Community, there was any talk or any exchange of notes with respect to the offshore acquisition by Canada of military hardware or engineering work-up and design in connection with either a fleet replacement program for maritime command or the acquisition of a tank replacement?

Hon. C. M. Drury (Acting Prime Minister): I am not aware of any such arrangements, either actual or contemplated, but I will be glad to inquire.

# SUPPLY AND SERVICES

CONTRACT WITH LOCKHEED FOR LONG-RANGE PATROL AIRCRAFT—ALLEGATION RESPONSIBILITY FOR LONG-TERM FINANCING REASON CONTRACT NOT SIGNED

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Supply and Services and it concerns technical problems relating to the long-term financing of the long-range patrol aircraft. Is it true that after eight years of study and two years in the final definition stage at a cost of \$11 million, the contract has been in the hands of the government since September last, and the president of Lockheed came to Canada for the formal signing in January before anyone noticed that the Canadian government was to pay to Lockheed some \$100 million in front-end or progress payments?

[Translation]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, we are now studying the problem of long term financing. The Minister of National Defence is taking a very close look at it and I would not like, for the time being, to disclose anything which might harm the negotiations. This is why I am requesting the hon. member to be patient. I think that within a few days the Minister of National Defence and I will be able to say exactly what has been the fate of this contract.

[English]

Mr. McKinnon: Patience is a great Canadian virtue, Mr. Speaker. I should like to know whether it is true that the Canadian government almost unbelievably assumed that

# Oral Questions

Lockheed would provide the so-called long-term financing and did not have the required funds available itself—that it came as a shock to the Canadian government that it was expected to put up the money, and that for the last six weeks it has been looking for the funds?

[Translation]

Mr. Goyer: Mr. Speaker, of course the hon. member has the right to make his comments but I shall stick to what I said in the first part of my reply.

[English]

## **IMMIGRATION**

ALLEGATION PROVINCES NOT IN AGREEMENT ON NATIONAL POPULATION GOALS—POSSIBILITY OF POLICY STATEMENT PRIOR TO AMENDMENT OF ACT

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Acting Prime Minister consequent upon a speech made by the Minister of Manpower to the Toronto Sales Club when he was discussing the subject of national population growth. In connection with a national demographic agreement, including national population goals, have the provinces and territories indicated that they are not prepared to assist in the drafting of such an agreement and, if so, is it the intention of the government to introduce a form of policy statement on national population goals prior to the introduction of amendments to the Immigration Act?

Hon. C. M. Drury (Acting Prime Minister): I would be glad to discuss that question with the Minister of Manpower when he recovers the full use of his health.

Mr. Stanfield: You mean the full use of his faculties.

Mr. Alexander: I do hope the Acting Prime Minister will be forceful in that regard in terms of indicating to the minister that it is necessary to have this policy prior to the introduction of amendments to the Immigration Act.

#### HOUSING

GOVERNMENT POLICIES TO AID POPULATION SHIFT FROM MAJOR CITIES TO SMALLER TOWNS

Mr. Lincoln M. Alexander (Hamilton West): I have a question for the minister responsible for housing, who is involved in the discussion with the Minister of National Health and Welfare. In that same speech in Torontoperhaps the minister did not hear me—the Minister of Manpower made some reference to national population goals and said it was necessary that government do more to encourage a population shift from major cities to small towns, adding: "in my view this affects transportation, education, housing, communication and social services". Could the minister advise me whether he will be introducing any policies more successful than those he has introduced in the past concerning housing which would allow such a shift from major cities to smaller towns? Is he thinking in this regard or is he still up in the air?