

*Oral Questions***SUPPLY AND SERVICES****USE OF PAYMENT WITHHELD FROM NORTHROP TO MAKE LOAN TO CANADAIR—GOVERNMENT POSITION**

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, I have a question for the Minister of Supply and Services. When the government reached an out-of-court settlement with Northrop requiring the payment of some \$9 million to Northrop, the minister told the House that some \$6.5 million of this was actually money which the government had previously withheld from Northrop. A report has now surfaced to the effect that this money was actually lent to Canadair in lieu of progress payments and that the debt is going to be magically converted into a Canadair asset. Could the minister tell the House whether it is true that the money which was withheld from Northrop was loaned to Canadair through the defence production revolving fund and whether this is the money which the government now proposes to write off by the device of renaming it an asset of Canadair?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I think the hon. member is confusing two issues. It is a fact that our settlement with Northrop represented for the larger part money which had been withheld from their contract and thus was owed to them. Furthermore, the loan granted to Canadair was not related only to the Northrop contract but also to various contracts, and for the fruitful negotiation of those contracts, this loan had been granted and has been recently reimbursed to the government.

[*English*]

Mr. McKinnon: Bearing in mind that the government has owned 100 per cent of Canadair since January 5, 1976, according to the minister's reply to a written question, and is now perpetrating a financial shell game which permits a Canadair debt of more than \$8 million to be turned into an asset, requiring, strangely enough, a further transfer of more than \$8 million from the taxpayers to the company, is the minister now claiming another first for this Liberal government—that this group of financial geniuses has now bought and paid for 122 per cent of Canadair?

[*Translation*]

Mr. Goyer: Mr. Speaker, the negotiation for the Canadair purchase has been done by the Department of Industry, Trade and Commerce, and of course any investment in the company is decided by this department. Our relations with this company are therefore on a supplier-to-customer basis.

[*Mr. Lang.*]

[*English*]

CITIZENSHIP**ACTION TO CLEAR BACKLOG OF APPLICATIONS—SUGGESTED DELAY OF DEMAND PROVINCIAL EMPLOYEES OBTAIN CERTIFICATES**

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, my question is to the Secretary of State as the minister responsible for the citizenship branch; it follows a question which was asked last week by the hon. member for Fundy-Royal. At that time, the minister said he would be writing a letter to members of parliament asking their co-operation—I believe he has already done so. What we would like to hear is what he plans to do about the backlog in the citizenship branch which is causing serious difficulties to a great many Canadians who may wish to travel, join the Armed Forces or engage in a variety of other activities. Can the minister suggest at least one small step to be taken in clearing up this backlog within the citizenship branch by speeding up the processing of applications?

Hon. John Roberts (Secretary of State): I wish to express appreciation for the hon. member's co-operation. As I indicated to the hon. member for Fundy-Royal, we expect the backlog to be cleared up fairly quickly and I am exploring the suggestions which have been made by the hon. member for Fundy-Royal and other members that improved liaison might be arranged between the Passport Office and the citizenship branch. I would be happy to consider any other suggestions the hon. member might have to make.

Mr. Johnston: Is the minister aware of the undue pressure placed on the citizenship branch by various provincial departments and, I suspect, federal departments as well, demanding that provincial public servants apply for citizenship immediately upon qualifying, under threat that failure to do so will result in their jobs being posted, and that this situation has worsened since the qualifying period for citizenship became only three years? Can the minister tell us whether federal departments are demanding the same of their civil servants who might be in the position of holding landed immigrant status? If this is the case, has the minister considered asking the provincial governments to place a moratorium on that sort of demand, at least until the backlog of applications in the citizenship branch has been cleared away?

Mr. Roberts: Mr. Speaker, I was not aware of the situation which the hon. member has described. I will certainly look into the matter.

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IMMIGRATION**POSSIBILITY OF LAX HEALTH CHECKS IN VIEW OF INCREASED INCIDENCE OF LEPROSY**

Mr. Jake Epp (Provencher): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. It