Orion Cancellation

delve into this matter by perusing the original documents to find out where the truth lies.

Mr. Richardson: The contract is the direct responsibility of the Minister of Supply and Services, but it has not come into effect. We were to table it when it was in effect and fully signed, but there is no point in tabling a contract which has not been executed.

Some hon. Members: Oh!

Mr. Baker (Grenville-Carleton): Mr. Speaker, the Minister of Supply and Services (Mr. Goyer) is not in the House and therefore we cannot ask him this question—

Mr. Speaker: Order. May I again state the rules for the benefit of hon. members? Standing Order 15(3) reads as follows:

On statements by ministers, as listed in section (2) of this Standing Order, a minister of the Crown may make a short, factual announcement or statement of government policy. A spokesman for each of the parties in opposition to the government may comment briefly thereon and members may be permitted to address questions thereon to the minister.

There is no provision, as hon. members will see, for questions to be directed to other ministers.

Mr. Baker (Grenville-Carleton): I thought I was just repeating the rule, Mr. Speaker.

Some hon. Members: Oh!

Mr. Baker (Grenville-Carleton): My question is directed to the Minister of National Defence (Mr. Richardson), who is here. Would the hon. gentleman undertake to consult with his colleague, the Minister of Supply and Services, to determine whether or not it would be permissible for this document to be tabled in the House under Standing Order 41, whether it is signed or not, so that parliament and the people of Canada might have an opportunity to look into what is one of the biggest fiascoes in Canadian defence or financial history?

Mr. Richardson: I will, of course, consult with my colleague. I do not believe that a contract which has not been executed should be tabled, but I am prepared to leave it to his judgment.

Mr. Nowlan: Both the Minister of Finance (Mr. Macdonald) and the newspapers have indicated that we are talking about a deal with Lockheed involving about \$1.1 billion. I was wondering whether the minister could not give us a little more detail than was contained in his statement today so that the Canadian public might appreciate what is involved, not only in the Lockheed proposal but in some of the other areas which are under consideration.

• (1530)

The minister says in his statement that he will renew the search for the most effective way to replace the Argus. The minister has not started to come close to it. I should like to ask him what is the range of cost options of the various other proposals that have been studied over the last ten years, namely, the Boeing 707 proposal, the Phoenix proposal, the Argus refit proposal, and the P3C proposal,

which is an off the shelf aircraft built by Lockheed. Any of these other proposals will cost the Canadian public a very large figure.

As a supplementary question, in the range of options for an effective replacement for the Argus, and supplementary to the question asked by my hon. friend from Victoria about the government's commitment, would the minister tell the House what timetable will be followed in searching for a new proposal, since it has already taken the government 10 years to get this far?

Mr. Richardson: Mr. Speaker, if I may answer the second question first, I indicated that in our present planning, even if we had been able to finance and purchase the Lochheed aircraft, we were going to use the Argus fleet until well into the summer of 1979, probably into 1980. That arrangement will continue. We will meet our anti-submarine obligations in that way, exactly as we would have had we made this purchase.

I said a moment ago that we will be proceeding on an urgent basis to find an effective replacement for the Argus, and hopefully that replacement will follow on within the same timetable, or very close to it, unless we decide that the most effective route is the one that the hon. member has suggested. He did make mention of the Phoenix proposal, and that included in part refurbishing some of the Argus aircraft. It was a mixed fleet concept involving other aircraft of long range and some of shorter range capability. It was a very attractive proposal, but one of the disadvantages was the cost of extending the life of the Argus itself. I am sure that we will have to face that increased cost again as we look at the alternatives before us.

Another alternative which we examined exhaustively was the Boeing 707. In round figures it was \$400 million more to purchase the Boeing than the Lockheed, and also its operating cost was very much higher, particularly at low level. That was the reason for ruling it out. But this does not mean that we could not have some modified proposals from Boeing, using perhaps one of their smaller jets equipped with long range fuel tanks, or some variation of that kind. These are the kind of proposals that we will be examining.

Mr. Nowlan: I have a final supplementary question, Mr. Speaker. I realize other members want to ask questions on this important matter but I think we should have some clear understanding of some of the problems the minister faced. I also think there should be no misconception on the part of the Canadian taxpayers that some other proposal is going to save us x million or x billion of dollars. The other proposals or options are all in round figures, and these will change with inflation every year.

Having searched for 10 years, would the minister tell the House what the cost has been to date of the whole of this evaluation and revaluation process that has gone on? The hon. member for Victoria spoke in terms of \$16 million being spent on the Lockheed project so far, some \$6 million on the LRPA office project, and he made reference to the penalty. I am talking about what went on in the years before. Having gone through this trial of searching for the most economic and effective replacement for the Argus,