

Inquiries of the Ministry

awarded recently to the International Telephone and Telegraph Corporation for the purpose of mechanizing the mail-sorting process in the Post Office Department, and can he assure the House that this contract was awarded on the usual tendering basis?

Hon. James Richardson (Minister of Supply and Services): Yes, Mr. Speaker, I can assure the House that the contract was on the usual tendering basis.

Mr. Dinsdale: In view of the fact that there has been a recent exchange of personnel between the Post Office Department and the corporation at a high level, would the minister look into the matter further and report to the House?

• (1150)

CONTRACT AWARDED TO INTERNATIONAL TELEPHONE AND TELEGRAPH TO MECHANIZE MAIL SORTING IN POST OFFICE—POSSIBLE CONFLICT OF INTEREST

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question for the Acting Prime Minister. In view of the fact the deputy minister of the Post Office Department is a former president of the International Telephone and Telegraph Corporation and that an important employee of the Post Office is now with International Telephone and Telegraph, would the Acting Prime Minister confer with the Postmaster General, who I understand is holding a news conference right at this moment, so that a statement can be made in the House on Monday correcting any erroneous impression that may be left with the public about a possible conflict of interest in the awarding of this contract?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think that what the minister has said, that this contract was awarded on the usual basis of tendering, should be sufficient assurance. Perhaps the hon. member wishes to create an erroneous impression, and of course that is his responsibility.

Mr. Nowlan: Without trying to create any impression but hoping that incorrect impressions can be clarified and knowing full well that some employees have changed positions between International Telephone and Telegraph and the Post Office, will the Acting Prime Minister at least confer with the Postmaster General to ensure that there is no potential conflict of interest in the award of this \$70 million contract?

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EXTERNAL AFFAIRS

NEGOTIATIONS WITH UNITED STATES ON RENEWAL OF LEASE COVERING AMERICAN AIR FORCE BASE, GOOSE BAY—POSSIBLE CANADIAN FORCES BASE

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, my question is for the Secretary of State for External Affairs. In view of the fact the present lease covering the United States Air Force base at Goose Bay expires in December of this year, can the minister advise whether negotiations for the renewal of

[Mr. Dinsdale.]

this lease have commenced, and when does he expect to make a statement to the House in this regard?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, negotiations have begun and when they are completed a statement will be made.

Mr. Peddle: I have a supplementary question for the Minister of National Defence. Can the minister tell us briefly whether the establishment of a Canadian Armed Forces base is contemplated in the Goose Bay area?

Hon. E. J. Benson (Minister of National Defence): Mr. Speaker, as the Secretary of State for External Affairs said, negotiations are taking place.

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SHIPPING

INVESTIGATION INTO SINKING OF TUGBOAT, "HARO STRAITS"

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Transport arising out of the unfortunate sinking of the tugboat, *Haro Straits*, off the coast of British Columbia with the loss of the entire five-man crew. Has the minister ordered an investigation into this accident? If not, will he order such investigation?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have already initiated such an investigation, the normal kind of investigation that follows a tragic incident of this sort. In this particular case it has been possible to go a little further with the initial stage of the investigation because the towline is still attached to the vessel and we have engaged the services of a submersible so that an on the bottom or underwater investigation can take place. My information is that weather conditions have hampered the investigation in the last two or three days but that it is going ahead as rapidly as possible.

Mr. Douglas: Since the whole question of the towboat regulations and the effectiveness of their application may be a factor in determining the cause of this unfortunate accident, would the minister undertake to have an independent investigation made by knowledgeable people outside the Department of Transport which administers the towboat regulations.

Mr. Jamieson: Mr. Speaker, I believe the House knows from earlier explanations I have made that the procedure followed in all such cases is for an initial investigation to be conducted and, on the basis of that report, I can then decide whether to continue with a more formal inquiry of the nature the hon. member has outlined. Certainly, if the preliminary or initial report suggests that this would be advisable, I would be sympathetic to the proposal of the hon. member.