

Oral Questions

[English]

LOCKHEED CONTRACT—INQUIRY WHETHER MINISTER OF NATIONAL DEFENCE ADVISED TREASURY BOARD OF FINANCING ARRANGEMENTS

Mr. Allan B. McKinnon (Victoria): The minister still has not told me whether the Minister of National Defence ever advised him of this bridging arrangement with Lockheed. Three hundred million dollars is an amount of money that would, with few exceptions, be beyond the capability of almost any corporation to raise, or to establish a line of credit for. Are we to believe that the Minister of National Defence was able to get by the Treasury Board without the President of the Treasury Board asking for details as to the source of such funds? The decision made was important enough to cost the taxpayers \$16 million.

[Translation]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the question about the \$16 million is entirely beside the point. We knew, at Treasury Board, that Orion would probably cost us more than anticipated, that there would eventually be interest of over \$100 million to be paid. At a subsequent meeting held sometime last December, Treasury Board gave its approval.

[English]

LOCKHEED CONTRACT—INQUIRY BY TREASURY BOARD OF NATIONAL DEFENCE AS TO SOURCE OF FINANCING

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I have a supplementary question for the President of the Treasury Board. If the Department of National Defence was going to borrow, this would involve Treasury Board. If Lockheed was going to borrow, that brings up the matter of the assessments that were made by various departments of Lockheed's financial situation. Either way, someone must have stopped and asked DND where, how and when they proposed to get the money. Was this question raised by Treasury Board?

[Translation]

Hon. Jean Chrétien (President of the Treasury Board): Mr. Speaker, the questions are well known. I have answered them. The Minister of National Defence also answered a dozen questions concerning the internal discussions of Treasury Board, which is a cabinet committee; I am not at liberty to answer all questions on all the problems of the Treasury Board.

[English]

Mr. McKenzie: Did the President of Treasury Board seek no more assurance than that? Does he have no documentation? Are we to understand that Treasury Board authorizes the start of multi-million dollar contracts on nothing more than verbal assurance? Apparently all he received from the Minister of National Defence was a verbal assurance. Is this what Treasury Board and the cabinet are working on?

[Translation]

Mr. Chrétien: Mr. Speaker, it is obvious that on November 27 the cabinet had decided to buy that aircraft; that afternoon, Treasury Board authorized the departments

[Mr. Chrétien.]

concerned to start negotiating the contract. The rest of the story is common knowledge.

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AGRICULTURE

REQUEST FOR REPORT ON MEETING WITH MILK PRODUCERS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to put a question to the Minister of Agriculture.

Last Friday, in his answer to a question put by my colleague the hon. member for Champlain, the Acting Prime Minister indicated that there would be today an important meeting between the executive of the Quebec APU and some ministers concerning the problems the Quebec dairy industry is faced with. Can the minister take stock of the meeting and indicate to the House whether new elements were added to this issue?

[English]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I understand the directors of UPA asked for and were granted a meeting this afternoon with some members of the cabinet. If they have any new proposals, we are willing to listen to them. I understand there are several topics they want to discuss with us. I do not know if they have a complete program. At least I have not been given one that is any different from what they presented to us last week.

[Translation]

Mr. Beaudoin: Mr. Speaker, I wish to ask a supplementary.

My question was quite simple but the minister did not answer it. I would like the minister to tell us whether he is prepared to make a statement to the House as soon as such a meeting will be held, and that both the results and the content of these discussions be made public.

● (1420)

[English]

Mr. Whelan: Mr. Speaker, I think it is public knowledge that they wanted to discuss dairy issues at greater length with members of the cabinet than was the case last week. I know of nothing new that they are going to present to us, nothing that is not already public information.

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AIR TRANSPORT

MEASURES TO RELAUNCH INQUIRY INTO BILINGUAL AIR-TO-GROUND COMMUNICATIONS FOLLOWING RESIGNATION OF MR. KEENAN

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is addressed to the Minister of Transport. In light of the unfortunate resignation of Mr. Keenan and the consequent enhanced risk that a strike of air traffic controllers may occur, what steps has the minister taken since yesterday to open talks with those immediately concerned, namely our air traffic controllers and pilots, with a view to the appointment of a commissioner,