

Orion Cancellation

National Defence in the white paper back in 1971, that priority being the surveillance of our own territorial coastline. The Orion of the kind the minister wanted to purchase had basically nothing to do with that function; it had everything to do with Canada's NATO commitment. We say the government should practice what it preaches and take care of our No. 1 defence priority, which is the surveillance of our own coastline, in order to protect our fisheries or to spot submarine activity.

We are putting forward a straightforward proposal which makes both military and economic sense. The government could refit a dozen or so Argus aircraft—

An hon. Member: Oh!

Mr. Broadbent: I hear cries of "Oh" from one member of the Conservative Party. I notice it is not their defence critic. Add to that, 18 or 20 Dash-7s produced by the DeHavilland Corporation, thus producing jobs for Canadians in Montreal and Toronto, and you have a package which would cost about \$400 million only, and which would adequately meet the demands of our No. 1 defence priority. That is our suggestion to the minister, and I hope he acts on it.

[Translation]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, it is strange, after all, that in Canada the Lockheed Corporation should continue for sometime to make the headlines. In all other countries, for at least a year, we have heard that this corporation had been involved in many scandals where politicians were mixed up. Here in Canada, it is the reverse situation. It is the federal government, which will, in the end, pay at least a subsidy directly to the Lockheed Corporation, a subsidy of \$16 to \$30 million, which will be a loss for the country.

Today, the minister just said that the financial position of the corporation was not good enough to gain the confidence of financial institutions in Canada to achieve this project of the Canadian government.

Yet no later than a few days ago, the situation looked pretty rosy and now we are told that it all seems hopeless. Mr. Speaker, I cannot blame the government for not proceeding with the purchase of those aircraft, as they may have realized that too late, unfortunately and the opposition seems to agree that we realized too late that the government was getting involved into a rather risky venture. However, as they say, better late than never. That may be why the government has decided to cancel the deal. But what upsets me greatly, Mr. Speaker, is to note that the two Lockheed main consultants are both former senior members of the civil service of Canada.

It would be interesting to delve further into that matter to know what role was played by those two former federal government officials who have become consultants for Lockheed. Perhaps the cabinet or some ministers were misled by the recommendations of those officials who are now on the other side of the fence.

Mr. Speaker, I do not believe that because of the statement made by the minister today we will know all about this important matter which resulted in a loss of between \$16 and \$30 million for Canadians and which is why we are

[Mr. Broadbent.]

now further back than we were seven or eight months ago in our national defence.

Mr. Speaker, in conclusion I would like to say that it is another evidence that we are at the mercy of strangers, that we are unable to solve our transportation problems, both in our merchant navy and our aviation, and as long as we will be at the mercy of foreign companies or governments, we are likely to suffer economic conditions such as those we are faced today, just like small fishes in a big lake.

[English]

Mr. McKinnon: Mr. Speaker, I should like to direct a couple of questions to the Minister of National Defence in connection with his statement. I might say that I address them to the Minister of National Defence in the absence of the Prime Minister, the President of the Treasury Board—

Mr. Speaker: Order. I would remind hon. members that the Standing Order under which we receive statements by ministers indicates that following the statement questions are permitted, at the discretion of the Chair, directed only to the minister who makes the statement, so there is no possibility of questions being directed to other ministers at this time.

Mr. McKinnon: Maybe then I can compliment the Postmaster General (Mr. Mackasey) on sticking with the Minister of National Defence.

Some hon. Members: Hear, hear!

Mr. McKinnon: Yesterday the Prime Minister said that, using the hypothesis we would not proceed with the Lockheed deal, the government would consider other alternatives. Would the minister enlighten us with regard to any other known alternatives which are acceptable to the Minister of National Defence? If there are any, does he have the support of his colleagues for these alternatives, or even a mandate to proceed?

Mr. Richardson: Yes, Mr. Speaker. We clearly have a mandate to proceed, and this was referred to in my statement. I indicated that not only would we look at other alternatives but also that we would consider any renewed and financeable proposal by the Lockheed Company. We shall look at all the alternatives which have been discussed, including the continuation of the Argus, and any suggestions which may be made by the Boeing Company for a less expensive long range patrol aircraft. We are looking at those possibilities on an urgent basis now, because our commitment remains the same—to replace the Argus and to continue our anti-submarine role to meet our commitments to NATO.

Mr. McKinnon: I am pleased the minister has gone further than he did in his written statement which I received at 1.30. Throughout the last few months we have constantly heard about the willingness of the government to table the documents as soon as this could be done without harming us in the negotiations. I now ask the minister when he would be willing to table these documents concerning the contract, as well as the contract itself. I would remind him that someone has "blown" \$34 million; the country and the opposition have a right to