

*Oral Questions*

matter. Would the minister advise whether he received any legal advice either from justice or from any other source, prior to his commitment to the \$16 million, in extending the Lockheed contract for one month? Did he receive any legal advice and, if so, what was that legal advice in terms of Canada's commitment at that point to the Lockheed Corporation?

● (1420)

[Translation]

**Hon. Jean-Pierre Goyer (Minister of Supply and Services):** Mr. Speaker, throughout the negotiations, and God knows how long and difficult they were, we constantly checked all our actions and decisions with officers from the Department of Justice, that is those who are permanent in my department or those who had been lent by the Department of Justice to my department. Therefore, I can say that, as far as I know, there was no action that was not checked and verified by the Department of Justice, as it must normally be done.

[English]

**Mr. Leggatt:** Mr. Speaker, I am sure you will pardon me if I did not quite understand that answer. The question was, did the minister get legal advice that the government was committed to the Lockheed Corporation as a result of the announcement of the agreement in principle which the Minister of National Defence made on November 27? Was there legal advice given to the minister, and was there a legal commitment before he entered into the renewal or the extension of the option with the Lockheed Corporation? That is the question and it is a clear one. It is not a question of verification, it is a question of what was the advice the minister received, and did he follow it? Would you respond to that question, please?

[Translation]

**Mr. Goyer:** Mr. Speaker, if the hon. member refers to an action taken by the Department of National Defence on November 27, I do not know then why this question is directed to me.

[English]

**Mr. Leggatt:** I will try to get the second language down a little better, Mr. Speaker, and perhaps then I can get through to the minister.

**An hon. Member:** Get the first language down.

**Some hon. Members:** Oh, oh!

**Mr. Leggatt:** The first language, agreed. My final supplementary question is this. Prior to the letter that was sent on December 2 authorizing the Lockheed Corporation to proceed with work, which followed the November 27 announcement of the agreement in principle, did the minister receive any legal advice at that point, and did he check with the Treasury Board prior to sending out that letter or that communication as to the availability of funds from the government for that contract?

[Translation]

**Mr. Goyer:** Finally, the question is more precise, Mr. Speaker.

[Mr. Leggatt.]

On December 2, a telex, equivalent to a letter of intent and signed by myself, was sent to Lockheed indicating our intent to sign a contract with them, if ever they met certain conditions, which was done in fact. It is from that moment, according to the lawyers of the Department of Justice, that we had a contractual link with Lockheed. This authorization of course was the result of a decision by the Treasury Board and the Department of National Defence.

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## AGRICULTURE

### ATTITUDE OF PRODUCERS TO NEW DAIRY POLICY—ALLEGED REQUEST OF UPA FOR RESIGNATION OF THREE COMMISSIONERS

**Mr. André Fortin (Lotbinière):** Mr. Speaker, I want to put a question to the Minister of Agriculture.

Following the announcement of the new dairy policy for 1976, did the minister receive any reactions, positive or negative, either from the industrial milk producers unions or the executive of the Federation of Industrial Milk Producers of Quebec, or the Agricultural Producers' Union? If so, what was the minister's response?

[English]

**Hon. E. F. Whelan (Minister of Agriculture):** Mr. Speaker, we have received reactions from them to the effect that they are not satisfied with the program. This was not unexpected. The only answer I could give them was to confirm that I had received the representations and they would be considered.

[Translation]

**Mr. Fortin:** Mr. Speaker, I want to put a supplementary question.

The minister confirms that the policy announced by his government is unsatisfactory for producers, according to their reactions. Given this situation, can the minister tell the House if the producers' grievances are founded and legitimate and, therefore, if he is going to act to serve both the producers' and the consumers' interests, or if he intends simply to leave things as they are now?

[English]

**Mr. Whelan:** Mr. Speaker, much of the problem in Quebec is the same as in other provinces. It is within the responsibility of their own marketing boards to iron out some of their problems. It is they who set the market share quota system and decide what the supply of milk shall be. We tried to tell them last June and last September that they were producing away more than the market could possibly absorb. They did not pay much attention to us. They increased it. So all we can do is make the rules known to them, show them that we mean business, and that we cannot afford to spend government money and they cannot afford to produce a product for which there is no market, as I said yesterday and will say again.

[Translation]

**Mr. Gilbert Rondeau (Shefford):** Mr. Speaker, I want to ask a final supplementary question.