

Oral Questions

[Translation]

Mr. Goyer: Mr. Speaker, if the hon. member has doubts about things which the government might be hiding, I would ask him to be quite intellectual and voice them openly before the public.

In reply to the second part of his question, I would say that our legal commitment, as I have always stated in the House, is restricted to \$16 million. Up to now, we have made payments to Lockheed amounting to \$10,800,000 for the work performed and we shall examine with the company the consequences of voiding all our contractual bonds with it. Of course, all those figures are subject to audit by government officials.

[English]

LOCKHEED CONTRACT—NAMES OF PERSONS AUTHORIZING START OF WORK AND EXTENDING OPTION

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, may I first reply to the minister as honestly and intellectually as I can. I certainly do doubt him on this matter from start to finish.

Some hon. Members: Hear, hear.

Mr. McKinnon: On December 2 the minister authorized Lockheed to start work on the project, and on April fool's day the minister signed an agreement, which apparently accepted liability for \$16 million for work in progress, in order to extend time to find the interim financing. Would the minister tell the House who approved those two decisions, the authorization to start and the acceptance of liability, and were they made on the advice of the President of the Treasury Board, the Minister of National Defence and the LRPA project team?

[Translation]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Yes, Mr. Speaker.

[English]

REQUEST FOR TABLING ASSESSMENTS OF SOLVENCY OF LOCKHEED

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of Supply and Services. General Allan advised the defence committee this morning that the Department of Supply and Services made periodic assessments of the solvency of Lockheed for the LRPA project team. Would the minister table those assessments and tell the House whether they did include any precise analysis of whether Lockheed had the capacity to provide over \$300 million of interim financing?

[Translation]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker I have always indicated to the House that the government was determined to deal with Lockheed because, in its opinion, this company did not present as enormous a risk as the opposition tried to make believe.

We had access to information which Lockheed considers to be confidential and it is not my business to reveal information which is indeed exclusively Lockheed's. However, if the company wishes to make public these financial

arrangements while we are negotiating or later on, it is up to them.

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[English]

NATIONAL DEFENCE

LOCKHEED CONTRACT—REASON GOVERNMENT UNAWARE OF UNDERSTANDING WITH UNITED STATES AUTHORITIES COMPANY WOULD NOT BORROW

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, may I direct a supplementary question to the Minister of National Defence. The Minister of Defence told the defence committee on March 23 that Lockheed did not reveal that they had an understanding with the United States government and U.S. banks that they would not borrow any further moneys. I would like the minister to tell the House why the government did not know that in any case, as it was public knowledge and must have been made available to those who supposedly assessed Lockheed's financial status.

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I cannot respond because I do not know to what the first part of the question, or the whole of that question, refers. I will have to ask the hon. member to repeat it.

Mr. McKenzie: Mr. Speaker, I repeat my question. The Minister of Defence told the defence committee on March 23 that Lockheed did not reveal that they had an understanding with the United States government and U.S. banks that they would not borrow any further moneys. I would like the minister to tell the House why the government did not know that in any case, as it was public knowledge and must have been made available to those who supposedly assessed Lockheed's financial status.

Mr. Richardson: Mr. Speaker, I will have to return to the record of that meeting before I can reply to the question. I will take it as notice.

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SUPPLY AND SERVICES

LOCKHEED CONTRACT—REQUEST FOR TABLING OF AGREEMENT TO EXTEND OPTION—POSSIBILITY OF LEGAL ADVICE PRIOR TO SIGNING AGREEMENT

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question also is directed to the Minister of Supply and Services. I presume that the minister has no objection, by the way, to tabling the option agreement for the renewal, since it is an agreement and there is a clear commitment under it to \$16 million. I hope the minister is going to nod his head and agree to table the document, which was obviously signed by both parties. I see he is nodding his head.

An hon. Member: It's a nervous tick.

Mr. Leggatt: It was indicated in the House that the Department of Justice had given legal advice in this