

Orion Cancellation

Mr. Richardson: I also wish to advise the House, Mr. Speaker, that prior to these decisions, in spite of the best efforts of all parties concerned, it was not possible to make arrangements whereby Lockheed could conclude a financial agreement with the Canadian banks. Also, it was not possible to accommodate the purchase of the Lockheed LRPA by direct financing without an undue distortion of the government's planned program of expenditure.

At the cabinet meeting yesterday evening to which I have referred, the government confirmed its commitment to contribute its share to collective security and emphasized that the decision not to purchase the Lockheed LRPA did not in any way diminish this commitment.

Anti-submarine patrol continues to be an important task for the Canadian armed forces, and it will continue. It had been planned, even if the Lockheed purchase did proceed, to continue to use our fleet of Argus aircraft on anti-submarine patrol until 1980. The Argus aircraft will, therefore, continue in the anti-submarine role as planned, and the government will immediately renew the search for the most effective way to replace the Argus.

An hon. Member: Put wings on a crowbar.

An hon. Member: Are you volunteering?

Mr. Richardson: That search will, of course, include any renewed and financeable proposal by the Lockheed Corporation.

Finally, the government wishes to express its appreciation for the full and willing co-operation it has received from the United States government during the period of negotiation with the Lockheed Corporation.

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, most farces end as fiascos, and the government farce of re-equipping the armed forces, using promises instead of money, has ended in the predictable fiasco.

I believe that the opposition, in the months leading up to this denouement, has shown a responsible attitude in the questioning and debating both in the House and in committee. In fact more leadership and more understanding concerning the LRPA project have been evident on this side than on the government side. We have, by our questioning and comment, brought out into the open the disadvantages and dangers of the financial arrangements of the Lockheed deal.

It is difficult to pick the proper modifier to describe the performance of those in the cabinet who were involved in this debacle. One can choose between bumbling, obstinate, inept, naive, deceitful, incompetent, and misleading. In fact they are all true.

First we have the Minister of National Defence (Mr. Richardson) in November, 1975, at the end of the \$12 million worth final definition phase, announcing that a decision had been made to buy the Lockheed LRPA. He could not wait another few days for the contract signing, but must rush off to NATO to seek praise for his efforts. That piece of vainglorious, self-serving immodesty, will be long remembered by our long-suffering NATO allies.

Then, the hapless Minister of Supply and Services (Mr. Goyer) who, although a senior civil servant from his

[Mr. Leggatt.]

department served on the LRPA project staff, was himself never informed that the Department of National Defence did not have the money budgeted to fulfil its financial obligations; nor was he informed that Lockheed could not fulfil its real or imagined—depending on whether you believe the Minister of National Defence or Lockheed—commitment to provide money for interim financing. The position of the Minister of Supply and Services was somewhat further weakened when the official in charge of the project informed the Standing Committee on External Affairs and National Defence that the cabinet had been informed of the problems prior to November 27.

● (1510)

The unkindest cut of all came from the one in charge of this ship of fools, the Prime Minister (Mr. Trudeau)—

Some hon. Members: Hear, hear!

Mr. McKinnon: —who, in reply to a question in the House, put the whole blame on the Minister of National Defence by saying that minister was responsible for the financing and the execution of the contract, which leaves us wondering if the Prime Minister was only trying to save the Minister of Supply and Services, or is he really ignorant of the role of supply and services in such a situation?

Other ministers played their part. Judging from his answers in the House, the President of the Treasury Board (Mr. Chrétien) was obviously not consulted before the matter was before cabinet on November 27. Equally, the Minister of Justice (Mr. Basford) was not consulted concerning the legality of the government paying interest on the bank loan to Lockheed; whether this loan was not in fact a loan on behalf of the government and thus required parliamentary approval was quite apparently not brought to his attention until after the government had announced its support of such a dodge.

Concerning this loan, we have had the unedifying spectacle of the Minister of Supply and Services saying that such a loan would be repaid to the banks if Lockheed defaulted. At the same time he and all other interested ministers were devoutly stating that there would be no guarantee of the loan.

Casey Stengel once, when managing a very poor team, called them together and said, "Doesn't anyone here know anything about this game?" It is now time that someone called this group of minor leaguers, playing in the big leagues, together and told them what is expected of the team in charge of Canada at this time.

Some hon. Members: Hear, hear!

Mr. McKinnon: Unfortunately the manager in this case seems as incompetent as his players.

In the last several months the Minister of National Defence has been frequently questioned about alternatives if the Lockheed LRPA scheme failed. His answers seemed to indicate it would show a lack of faith in Lockheed to consider alternatives. The Conservative party has always supported and will continue to seek an early and rational replacement for the Argus.

Some hon. Members: Hear, hear!