

*Oral Questions*

tract which could cost the federal taxpayers twice as much as the St. Lawrence Seaway cost, is the government now going to bring in guidelines on the freedom of retired public servants to go to work for corporations precisely in order to lobby in areas of their intimate government expertise and with former colleagues. I ask this question in view of the fact that even customs and excise officers of the Department of National Revenue are prohibited for two years from setting up customs brokerage houses. Why, at least as a stricture, ought such a regulation not apply to these men who are by no means poor as a result of their service to the Government of Canada.

**Hon. Allan J. MacEachen (Acting Prime Minister):** Mr. Speaker, I am sure the hon. member would agree that both gentlemen to whom he has referred have set a high standard of ethics during their period of service to the Government of Canada. Surely, I am certain that that same approach would be followed in their private life. I recognize with the hon. gentleman that he has raised a point of some importance, but to my knowledge no jurisdiction has yet succeeded in directing the behaviour of persons who have left the public service and who have become private citizens. That applies not only to members of the bureaucracy but also to Members of Parliament and ministers.

POSSIBILITY MR. GRANDY HAD CONSULTING CONTRACT WITH PRIME MINISTER'S OFFICE OR GOVERNMENT AGENCY SINCE WORKING FOR LOCKHEED

**Mr. Walter Baker (Grenville-Carleton):** I have a final supplementary, Mr. Speaker. I suggest that some governments have the moral and ethical standards to at least try, Mr. Speaker. My final supplementary is this: Since this consulting firm went to work for Lockheed Limited was Mr. Grandy also working on a consultation contract for the Prime Minister's office or any other central agency of the federal government, and if so when was that contract terminated or completed if it was so terminated or completed?

**Hon. Allan J. MacEachen (Acting Prime Minister):** Mr. Speaker, I will have to take that question as notice. I have no information on that point.

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### FINANCE

LOCKHEED CONTRACT—POSSIBLE REPRESENTATIONS FROM MR. REISMAN CONCERNING FINANCING—MINISTER'S VIEW OF GOVERNMENT-BACKED LOANS

**Mr. Allan B. McKinnon (Victoria):** Mr. Speaker, my question is for the Minister of Finance. Has the former deputy minister of finance, Mr. Reisman, since his employment by Lockheed made any representations to the minister or to his officials concerning the financing of the Lockheed LRPA contract and in particular concerning guaranteeing bank loans? Also could the minister tell us whether he supports in any way the concept of the government backing such a loan.

**Hon. Donald S. Macdonald (Minister of Finance):** With regard to the financing, Mr. Speaker, I met personally with

the new management of Lockheed when they were in town some few weeks ago but the question of interim financing was not discussed. Indeed, it was merely a meeting on our part to ensure they would continue to be in a position to perform on any contract. With regard to my officials, I would have to make an inquiry as to whether they were directly involved in the discussions in this regard. My recollection is that the discussion has been conducted by the Department of Supply and Services' officials.

● (1420)

On the question of the financing arrangement, that is a matter that is now before the government and upon which a decision will have to be taken.

MR. REISMAN'S ACCESS TO OFFICE FILES SINCE RETIREMENT

**Mr. Allan B. McKinnon (Victoria):** I do not think that the minister stated whether or not Mr. Reisman was involved in these discussions. Perhaps he would do so in answer to my first supplementary question. Since Mr. Reisman's retirement as deputy minister of finance, has he had access to his former office files, and if so when?

**Hon. Donald S. Macdonald (Minister of Finance):** I have not met Mr. Reisman in this or indeed in any other business context. I will have to take notice and report on either the contracts that he may have had or indeed on the more specific question which the hon. gentleman has asked. I will do so and be glad to report to him.

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### NATIONAL DEFENCE

SUGGESTED CONSIDERATION OF OTHER AIRCRAFT THAN THE ORION

**Mr. Allan B. McKinnon (Victoria):** Mr. Speaker, my question is for the Acting Prime Minister. In view of the confusion and maladministration by the government of this very large contract and the question of conflict of interest, is the Acting Prime Minister now willing to open the negotiations and consider options other than this \$59 million aircraft? I ask this question in the absence of the Prime Minister.

**Hon. Allan J. MacEachen (Acting Prime Minister):** Mr. Speaker, the answer is no.

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### FINANCE

DEFICIT RESULTING FROM CANADA-UNITED STATES AUTO PACT—GOVERNMENT ACTION

**Mr. Edward Broadbent (Oshawa-Whitby):** Mr. Speaker, I have a question for the Minister of Finance. In view of the figures which were released today indicating that Canada has a \$1.9 billion deficit in Canada-U.S. automotive trade, the largest in the eleven year old history of the auto pact, and a 50 per cent increase over the deficit for last year, what plans does the government have to turn this