

**Hon. Allan J. MacEachen (Secretary of State for External Affairs):** Mr. Speaker, there is no double standard involved at all. In any sale of nuclear equipment or technology to any country, precisely the same standards are applied whether they are applied to a reactor for which we provide assistance through our Canadian International Development Agency or whether we provide a reactor on a completely commercial basis, the safeguards are precisely the same. There is no double standard and in its bilateral agreements Canada exacts precisely the same standards, regardless of the source of the financing.

\* \* \*

### SUPPLY AND SERVICES

#### CONTRACT WITH LOCKHEED—REASON FOR FAILURE TO PROVIDE FOR SHORT TERM FINANCING—POSSIBILITY OF BUYING CANADIAN AIRCRAFT

**Mr. Stuart Leggatt (New Westminster):** Mr. Speaker, my question is for the Minister of Supply and Services and concerns the negotiations presently under way with the Lockheed corporation for the proposed purchase of the Orion LRPA. Since the decision was announced in principle two months ago, can the minister advise whether lack of agreement about front-end money on that purchase, which is over \$100 million, was as a result of negligence or oversight by the government or the result of it being deliberately misled by the Lockheed corporation as to the necessity for additional government funding for the contract?

[Translation]

**Hon. Jean-Pierre Goyer (Minister of Supply and Services):** Mr. Speaker, as I indicated many times to the House, it is a question of financing on the part of Lockheed Aircraft Corporation Ltd. It is necessarily the question of long term financing, given that corporation's circumstances which prevailed on the international market, and as a result, we are led to be more cautious. On the part of the government, it is a matter of short term financing, and this is an extremely complex question. We are considering the possibility of achieving this short term financing through a re-evaluation of the production schedule originally planned. We are hoping a conclusion will be reached by the end of this month.

[English]

**Mr. Leggatt:** Mr. Speaker, I should like to uncomplicate that question for the minister in just a moment. The terms of the contract will require that Canada take the risk by putting up the money. Since Lockheed has no United States federal guarantee or advantage, and in view of the clear case that Canada is risking up to \$200 million without guarantee of delivery of this aircraft, will the minister now drop the other shoe and make the obvious decision? Also, would the minister tell the House when they are going to go either to Canadair or de Havilland to provide a Canadian LRPA and put all Canadian workers to work?

[Translation]

**Mr. Goyer:** Mr. Speaker, from the contract negotiated but not yet signed with Lockheed Aircraft Corporation

### Oral Questions

Ltd. will flow a major economic boost for Canada and we obviously keep this advantage in mind.

As for the terms of payment of this eventual contract with Lockheed, we are not required to make a down payment. According to the agreed formula, we pay as the production goes on. As for the risk of dealing with Lockheed, some officials met with representatives of the American government to assess what would be their own position towards Lockheed, given the prevailing circumstances surrounding this corporation.

The American government accounts for two thirds of Lockheed's overall orders, which means that Lockheed considers the U.S. government as a major player. The fact that the United States chose to deal with Lockheed reassures Canada to a certain extent.

\* \* \*

### ADMINISTRATION OF JUSTICE

#### INQUIRY WHETHER PRESIDENT OF TREASURY BOARD RECEIVED APOLOGY FROM JUDGE

**Mr. Maurice Dupras (Labelle):** Mr. Speaker, I wish to put a question to the President of the Treasury Board.

Last March 3, in answer to some allegations made by a Justice of the Superior Court, the minister told the House that he would ask the judge to apologize and withdraw his allegations. He gave him three days to do so. I would like to know whether the minister did receive an apology and whether he intends to table it in the House?

\* \* \*

### OLYMPIC GAMES

#### REQUEST FOR DETAILS ON METHOD OF FINANCING DEFICIT

**Mr. Roch La Salle (Joliette):** Mr. Speaker, I have a question for the President of the Treasury Board.

Following the Prime Minister's statement about the Olympic Games, which amounts to a flat no, the President of the Treasury Board stated at the same meeting that he was trying to find another payment formula. The Quebec finance minister says he is very optimistic concerning the use of this formula. Can the President of the Treasury Board explain what he means when he talks about a new payment formula?

**Hon. Jean Chrétien (President of the Treasury Board):** Mr. Speaker, I said in Quebec—and I was simply repeating what the Prime Minister had said—that there is absolutely no question that the federal treasury will make up the deficit resulting from the Olympic Games, because we want to respect fully the agreements entered into by the parties some years ago. As for other self-financing formulas, I have discussed some of these last months with the Minister of Finance. I met him Saturday afternoon, but I have nothing to report at this time.

**Mr. La Salle:** Mr. Speaker, I should like to put a supplementary question.