

Adjournment Debate

the Opposition (Mr. Stanfield) is well taken and that all votes that have been agreed on have been taken.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion under Standing Order 40 deemed to have been moved.

NATIONAL DEFENCE—PROPOSAL TO LEASE LEOPARD TANKS—GOVERNMENT POSITION—ALLEGED OVER-PRICING OF TANKS BY SENIOR OFFICIALS

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, I rise this evening to discuss briefly a question I posed a week ago Monday, on February 2. As reported at page 10518 of *Hansard* I asked the Minister of National Defence (Mr. Richardson) about the forthcoming trials between the German Leopard II tanks and the American XM-1. I specifically asked:

—will the minister and the government now consider the opposition suggestion that Canada consider leasing Leopard I's until the winner of the U.S.-German competition is determined?

To which the Minister of National Defence replied in part:

—we are at this time considering the two main options which are to refit the Centurions or to purchase the Leopard I.

My further question to the minister was the following:

Mr. Speaker, the minister, the deputy minister and the chief of the defence staff have priced the Leopard I at anywhere between \$1.4 million and \$1.8 million. *The Economist* says the competition winner will be in the "just over \$500,000" class.

Those are the two parts of the question to which I wish to address myself tonight.

The confusion in prices quoted for LRPA's pales when compared with the shambles surrounding the tank replacement program. On November 25, 1975, General Dextrase said a retrofit of the Centurions would cost about \$400,000 per tank, while new Leopards would cost \$1 ¼ million each. However, he went on to say:

On the basis of retrofitting 113 Centurions, the cost would be \$85 million (i.e., \$752,000 per tank) and \$200 million to acquire 113 Leopards.

—which is \$1 ¼ million each.

The minister added to the confusion by telling a press conference, according to the *Ottawa Citizen* of November 28, 1975, that to refit 233 Centurions would cost \$80 million, that is, \$343,000 each, while 180 new tanks would cost from \$180 million to \$200 million, or just over \$1 million each. I phoned the German Embassy and they assured me that they would sell Leopard I tanks complete with spare parts for \$700,380 each.

We have the minister claiming that retrofits cost less than half of the price quoted by the chief, and the German Embassy claiming they will sell us new tanks for half the price the chief says they cost. It gets even more ridiculous

[Mr. Blais.]

when we consider that for slightly less than the refit to the old Centurions at the price quoted by the Chief of the Defence Staff, the Germans would sell us brand new tanks.

I am disturbed by the answer given me by the minister on February 2 when he said:

—we are at this time considering the two main options which are to refit the Centurions or to purchase the Leopard I.

This in fact discards the other option of waiting for the competition between the American tank and the Leopard 2. This was spelled out in last night's *Ottawa Journal* in a story headlined "Detroit vs the Leopard". It refers to the two tanks, stating:

Both also carry a price tag of \$507,000. General Motor's entry is a bit faster, getting 48 miles an hour from its 1,500 horsepower engine compared with 45 m.p.h. for Chrysler's.

It mentions the Leopard 2, a West German tank already in production. This is all in spite of the fact that the Chief of Defence Staff told the defence committee a couple of months ago that it would be years before the Leopard 2 would be in production.

I should like to point out one thing that was omitted from the *Journal* story of last night, and that is the rather startling new tank motor that Chrysler is putting into their version of the XM-1. In the Chrysler version the power is provided by a regenerative turbine engine using diesel fuel. This may be a great leap forward in respect of tanks in coming years. I should like to quote something about these tanks which I have obtained from the International Defence Review. It states:

In some tests, the XM-1 has traversed the cross-country course at speeds three times greater than the M-60A1 tank over the same course.

The M-60 is a tank in use at the present time by U.S. forces. The article goes on to state:

A large part of this high-speed capability is due to the 1,500 horsepower engine.

It goes on to refer to the new Chrysler version using the diesel fuel turbine engine.

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I would also like to point out that another article mentions that these tanks are to go to the United States army for three months competitive testing in January, 1976. The winner will be selected in July or August of 1976. Starting in September the winner is to be evaluated against the German Leopard II.

There are a few things the House should know about the difference between the Leopard I and the Leopard II. The first Leopard, which is the only modern tank the minister says they are considering, left the production line on September 9, 1965, over ten years ago. The old Leopard tank, the Leopard I we are considering buying, has an 830 horsepower motor while the Leopard II has a number of new interesting features which will doubtless set the trend for future MBT's. It is powered by a 12-cylinder engine which develops 1500 hp.

The Acting Speaker (Mr. Turner (London East)): I regret to interrupt the hon. member but his time has expired.